



COMMUNITY CONSOLIDATED  
SCHOOL DISTRICT 59

**C**OMPREHENSIVE  
**A**NNUAL  
**F**INANCIAL  
**R**EPORT

Prepared By The Business Services Department  
For the fiscal year ended June 30, 2014

**Community Consolidated School District 59  
Arlington Heights, Illinois**

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2014

**Officials Issuing Report**

Dr. Art Fessler, Superintendent of Schools  
Mrs. Ruth S. Gloede, CSBO/Assistant Superintendent for Business Services

**Department Issuing Report**

Business Office

# Community Consolidated School District 59

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2014

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## **INTRODUCTORY SECTION**

**Community Consolidated School District 59  
Principal Officers and Advisors**

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**Board of Education**

Brian Kiel	President
Sharon Roberts	Vice President
Karen Osmanski	Secretary
Janice Krinsky	Member
Seana McPherson	Member
Mardell Schumacher	Member
Barbara Somogyi	Member

**Township Board of School Trustees**

Arthur A Niewiardowski	President
Russell K Nowak	Member
Charles Serchuk	Member

**Township School Treasurer**

Dennis Saviano, C.P.A.	Treasurer
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**District Administrators**

Dr. Arthur J. Fessler	Superintendent
Maureen McAbee	Assistant Superintendent for Instruction
Tom Luedloff	Assistant Superintendent for Human Resources
Ruth Gloede	CSBO/ Assistant Superintendent for Business Services

**Official Issuing Report**

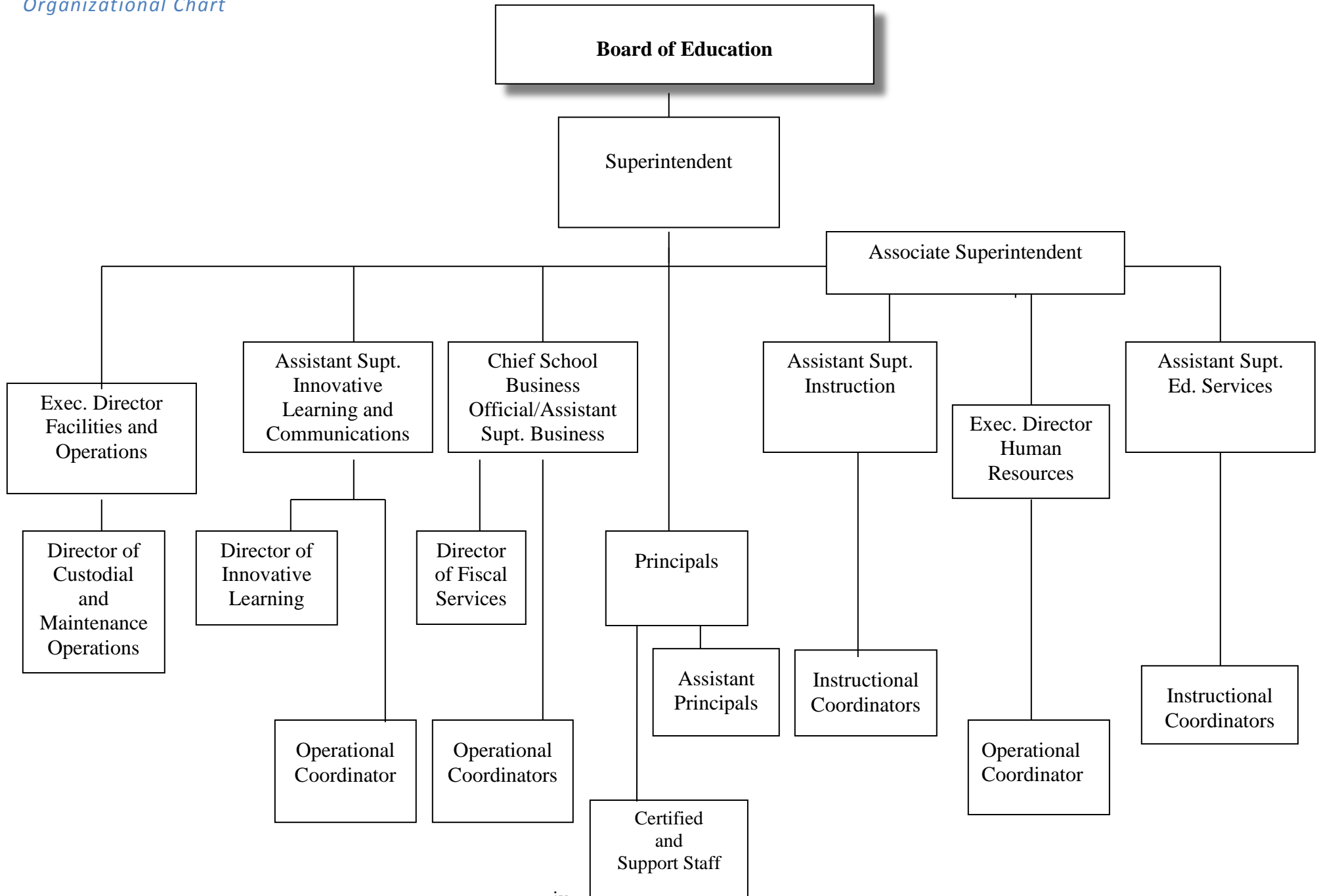
Ruth Gloede	CSBO/ Assistant Superintendent for Business Services
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**Department Issuing Report**

Business Services

# Community Consolidated School District 59

## Organizational Chart





# COMMUNITY CONSOLIDATED SCHOOL DISTRICT 59

December 22, 2014

President, Members of the Board of Education and Citizens of District 59  
Community Consolidated School District 59  
2123 South Arlington Heights Road  
Arlington Heights, Illinois 60005

The Comprehensive Annual Financial Report of Community Consolidated School District 59 (District) for the fiscal year ended June 30, 2014 is submitted herewith. The audit fieldwork was completed on October 13, 2014 and the report was subsequently issued. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum public understanding of the District's financial status have been incorporated in the report.

## ***BASIS OF ACCOUNTING AND REPORTING***

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this transmittal letter, the District's organizational chart, a list of principal officials, and the ASBO Certificate of Excellence. The Financial Section includes the Management's Discussion and Analysis (MD&A), basic financial statements including government-wide financial statements, governmental funds financial statements and other supplemental information. Also included is the auditor's report on the financial statements and schedules. The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and U.S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*. Information related to this single audit, including the schedule of federal awards, findings, recommendations and auditor's reports on the internal control structure and compliance with applicable laws and regulations is filed separately.

The District reports on the full accrual basis of accounting for its government-wide financial statements and modified accrual for its fund financial statements. These bases are applied to the District's budget and accounting records. The Notes to Basic Financial Statements expand upon these bases as well as the District's accounting policies and procedures. All District funds are included in this report and have been audited by Miller, Cooper & Co., Ltd.

Generally Accepted Accounting Principles (GAAP) requires the District to provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the MD&A. This letter of transmittal directs the reader to the MD&A for a comprehensive view of the District's financial condition. The District's MD&A can be found immediately following the Independent Auditor's Report.



## ***GENERAL DISTRICT INFORMATION***

The District is a consolidated elementary (K-8) school district in Elk Grove Township, Illinois, which operates as a single district. Students who attend the District's schools reside in four suburban communities: Elk Grove Village, Des Plaines, Arlington Heights, and Mount Prospect. During the 2013/14 school year, 6,545 K-8 students attended the District's eleven elementary (Grades K-5) and three junior high (Grades 6-8) schools. The 2013/14 enrollment represents a 1% increase over the previous year. Enrollment projections show gradually increasing enrollment, projected to peak at 6,813 students in 2018/19.

Since the 2008/09 school year, District 59 has been without one ethnic or racial group that comprised 50% or more of the entire student population. Instead, the largest racial/ethnic group is Hispanic at 43%, increasing from 42.5% in the prior school year. The second largest group is the White population at 40%, was unchanged from 40% in the prior school year. The Asian and Black and Multi-racial/ethnic group populations were relatively unchanged at 11%, 3% and 2%. The Native American/Alaskan population remained as the smallest ethnic group with less than 1% of the entire population.

The District provides a comprehensive educational program leading to skills that enable a child to function efficiently and effectively in our society. Kindergarten through eighth grade educational programming includes the seven core areas established by the State Board of Education: English/Language Arts, Mathematics, Science, Social Science, Physical Development and Health, Fine Arts and Foreign Language. Supplementing the core areas are a full range of support services including: math and reading support; psychological, social work, health and speech therapy services; English-language and bilingual instruction for non-English speaking students; and gifted education. In addition, instructional programming enhancements include band, orchestra, choral music, visual arts, dance, theatre, physical education, life skills, and applied technology.

The District also offers two choice programs. The Ridge Family Center for Learning is a K-5 school operating on a balanced calendar. Salt Creek School offers a dual language English/Spanish program. Families may choose to attend these programs rather than their neighborhood school. Enrollment in these programs is limited to available space.

To meet the needs of students requiring special education services, the District provides both inclusive and self-contained programming. Additional instructional placements and support as well as diagnostic services are provided through the District's membership in the Northwest Suburban Special Education Organization (NSSEO), an eight-district special education cooperative.

In addition to the elementary and junior high programs, the District offers an Early Childhood program for ages three through five. Students who attend this program are considered at-risk of academic failure, have been identified for special education services, or are typically developing students who have paid an annual fee. Potential at-risk and special education enrollees are screened throughout the school year. The overall enrollment is approximately 218 students.

The governing body consists of a seven member Board of Education elected from within the District's boundaries, and a three member Board of Trustees elected by the registered voters of Elk Grove Township. The District's boundaries consist of approximately 80% of Elk Grove Township.

Economic conditions, changes in Cook County assessment classification practices, and calculations of the equalizer by the Illinois Department of Revenue have resulted in a declining equalized assessed valuation (EAV). Over the past three years, the District's EAV declined from \$3.5 billion in 2010 to \$2.4 billion in 2013. Residential properties have decreased in value less than the commercial and industrial properties. Therefore, over the past decade, the tax burden has shifted from the commercial and industrial sectors to the residential taxpayers. In 2000, commercial and industrial properties comprised 75% of the District's EAV, with residential properties making up 25%. By 2013, commercial and industrial properties comprised 64% of the EAV, and residential comprised 36%. Nevertheless, a very favorable location adjacent to O'Hare International Airport, convenient transportation, and a major industrial park with 3,600 businesses continues to provide a substantial tax base. As a result, the aggregate tax rate for District 59 3.1720 remains the lowest among all northwest suburban elementary school districts.

In April 2003, District 59 successfully passed a \$5 million debt service extension base referendum. In July 2003, the District proceeded in issuing \$38.5 million (\$28.4 in General Obligation Limited Tax Bonds, Series 2003A; and \$10.1 million in Taxable General Obligation Limited Tax Bonds, Series 2003B). Proceeds of the bonds were used to advance refund the District's outstanding Series 1996, 1998, and 1999 General Obligations Bonds (Alternate Revenue Source). The proceeds were placed in escrow, with maturities scheduled to meet the debt obligation of the alternate revenue bonds. The Series 2003 general obligation bond debt was met by the voter-authorized Bond and Interest levy. This debt was retired in March 2014. In October 2009, the District issued \$7,425,000 in General Obligation School Bonds for the purpose of increasing the Working Cash fund for the District, and to pay costs associated with the issuance of the bonds. This debt is scheduled to retire in March 2016. Subsequent to June 30, 2014, the District issued \$8.98 million General Obligation Limited Tax School Bonds, Series 2014 to increase the Working Cash fund and to pay costs associated with the issuance of the bonds.

With original construction of the schools beginning in the 1950's, through the years all facilities have been fully renovated and improved, resulting in state-of-the-art facilities in excellent condition. Over the past five years, additions have been constructed at Juliette Low, Rupley, Ridge and Robert Frost Schools. Subsequent to June 30, 2014 the Board of Education authorized the construction of an Early Learning Center addition to Holmes Junior High, with an expected completion date of August, 2015. These additions were in response to enrollment growth as well as expanded early childhood, English Language Learners, and special education programming. All additions were funded by American Recovery and Reinvestment Act funds, interfund transfers of existing fund balances, and/or the partial abatement of the Working Cash fund. The District is currently developing a long-term capital improvement plan that will incorporate ongoing maintenance, future programming discussions, and enrollment projections. In addition to its fourteen schools, the District's facilities also include the District's Board of Education/Administrative Center, with an attached supply warehouse and maintenance facility, and a freestanding 4,800 square foot storage facility. The following details the District's facilities:

FACILITY	CONSTRUCTION AND RENOVATIONS	TOTAL SQUARE FOOTAGE
	As of June, 2014	
BRENTWOOD	ORIGINAL 1963, ADDITION #1 1964, ADDITION #2 1968, ADDITIONS/RENOVATED 6/1996	54,148
BYRD	ORIGINAL 1967, ADDITION #1 1968, RENOVATED 8/1993, ADDITIONS/RENOVATED/SOUNDPROOFED 8/2001	48,193
CLEARMONT	ORIGINAL 1961, ADDITION #1 1962, ADDITION #2 1965, ADDITIONS/RENOVATED 7/1993, ADDITIONS/SOUNDPROOFED 12/2000	54,675
DEVONSHIRE	ORIGINAL 1963, ADDITION #1 1964, ADDITION #2 1967, ADDITIONS #3 1970, ADDITIONS/RENOVATED/SOUNDPROOFED 12/1994	48,767
FORESTVIEW	ORIGINAL 1962, ADDITION #1 1965, ADDITION #2 1970, ADDITIONS/RENOVATED 6/1997	56,796
FROST	ORIGINAL 1964, ADDITION #1 1966, ADDITION #2 1987, DEMOED 1998, ADDITIONS/RENOVATED/SOUNDPROOFED 6/1998 ADDITIONS 8/2012	54,643
JOHN JAY	ORIGINAL 1967, ADDITION #1 1969, RENOVATED (PHASE I) 8/1991, RENOVATED (PHASE 2) 8/1992, SOUNDPROOFED 8/1998, ADDITION 2006	46,500
JULIETTE LOW	ORIGINAL 1966, (1969 FIRE REBUILDING), ADDITION #1 1970, ADDITIONS/RENOVATED/SOUNDPROOFED 6/1999, ADDITION 2010	75,713
RIDGE	ORIGINAL 1959, ADDITION #1 1966, ADDITIONS/RENOVATED/SOUNDPROOFED 8/2003, STORAGE ROOM ADDITION 8/2003, ADDITION 2011	46,426
RUPLEY	ORIGINAL 1958, ADDITION #1 1959, ADDITION #2 1960, ADDITION #3 1962, ADDITION/RENOVATED 8/1991, SOUNDPROOFED 8/1997, OFFICE RENOVATION (PHASE I) 2010, ADDITION (PHASE 2) 2011	59,382
SALT CREEK	ORIGINAL 1963, ADDITION #1 1965, ADDITION #2 1968, ADDITIONS #1 & #2 WERE DEMOED 2000, ADDITIONS/RENOVATED 2000	74,057
GROVE J.H.	ORIGINAL 1960, ADDITION #1 1961, ADDITION #2 1963, ADDITION #3 1964, ADDITION #4 1966, ADDITION #5/RENOVATED 1975, ADDITION #6 12/1995, RENOVATED 8/2000, ADDITION #7/RENOVATED 8/2001, ADDITION #8/RENOVATED 8/2002, SOUNDPROOFED 8/2003	116,274
HOLMES J.H.	ORIGINAL 1966, ADDITION #1 1969, ROOF/FASCIA REPLACEMENT 10/2000, ADDITIONS/RENOVATED 12/2001, ADDITIONS/RENOVATED 7/2002	86,492
FRIENDSHIP J.H.	ORIGINAL 1973 RENOVATED (PHASE I) 8/1998, RENOVATED (PHASE 2) 9/1999, ADDITIONS/RENOVATED 8/2001, RENOVATED 8/2002	101,668
ADMIN. CENTER	ORIGINAL 1984	19,293
WAREHOUSE	ORIGINAL 1971	10,623
LIVELY STORAGE	ORIGINAL 1967 ADDITION #1 1970, 90% DEMOED 10/1997	5,000
<b>TOTAL SQUARE FOOTAGE FOR ALL DISTRICT BUILDINGS</b>		<b>958,650</b>

The District continues to maintain its excellent financial condition. The Board of Education is provided key financial performance indicators, including compliance with the District's Fund Balance Policy, maintaining Recognition Status on the Illinois' School Financial Profile, and meeting the State's definition of a balanced budget. As current fund balances exceed the Fund Balance Policy's minimum requirement, the District is able to weather economic uncertainty and provide a stable environment for students, staff, and parents. District 59 maintains a perfect score of 4.0, Recognition Status, on Illinois' School Financial Profile and the District met the State's balanced budget criteria.

### ***REPORTING ENTITY***

The District defines its reporting entity by applying the criteria set forth in GASB 14 to potential component units. Briefly, a component unit is an organization for which the District is financially accountable or other organizations that, because of the nature or significance of their relationship with the District, would cause the District's financial statements to be misleading or incomplete if they were omitted from the reporting entity. These criteria are discussed in more detail in Note 1 to the financial statements. Using these criteria, management has determined that the District has no component units, nor is it a component unit of any other organization including the Elk Grove Township School Treasurer.

### ***STRATEGIC DIRECTIONS***

District 59's Board of Education vision is: One District One Population One Core Purpose. The District's mission is to provide the skills, knowledge and experiences that will prepare students to be successful for life. The Board adopted Strategic Plan places emphasis on five key Strategic Directions: 1) Student Growth - Educating the whole child academically, physically and emotionally; 2) Community and Community Relations – Create and maintain open, two-way communication both internally and externally to foster collaboration, trust, and understanding in an effort to move all stakeholders to advocacy of student success; 3) Recruit and Retain Distinguished Staff – Attract, hire, nurture, supervise, and retain high-quality staff while employing best-practice human relations strategies, processes, and services; 4) Long-Term Financial Stability and Fiscal Integrity – Ensure long-term financial stability and fiscal integrity by aligning the human, financial, and physical resources with the District 59 mission.

### ***BUDGETARY CONTROLS AND FINANCIAL POLICIES***

The District's Fund Balance Policy is as follows:

The Superintendent or designee shall maintain fund balances adequate to ensure the District's ability to maintain levels of service and pay its obligations in a prompt manner in spite of unforeseen events or unexpected expenses. The School District seeks to maintain an estimated unassigned (in the Educational Fund) and assigned (in the Operations and Maintenance, Transportation and Working Cash Funds) aggregate ending fund balance based on budgeted revenues and expenditures of no less than the range of 50-60 percent of the annual aggregated budgeted expenditures in the Educational, Operations and Maintenance, Transportation and Working Cash Funds.

The Board of Education shall direct the Administration to develop a deficit reduction plan when the estimated unassigned (in the Educational Fund) and restricted (in the Operations and Maintenance, Transportation and Working Cash Funds) ending fund balance is less than 60% of the aggregate budgeted expenditures in the Educational, Operations and Maintenance, Transportation and Working Cash Funds, and if the District's financial condition reflects a structural deficit in its major operating funds.

Periodically the Board of Education may by resolution commit a portion of the unassigned fund balance for a specific purpose. This commitment must be acted upon prior to the close of the fiscal year. The commitment must be subsequently removed by Board resolution. A committed fund balance may not reduce the remaining aggregate estimated unassigned (in the Educational Fund) and restricted (in the Operations and Maintenance, Transportation and Working Cash Funds) ending fund balance to less than 50% of the annual aggregated budgeted expenditures in the Educational, Operations and Maintenance, Transportation and Working Cash Fund.

The Board of Education delegates to the Chief School Business Official (CSBO) / Assistant Superintendent for Business Services the authority to assign fund balance for appropriate projects/purposes.

## ***FINANCIAL REPORTING***

This is the thirty-second year that the financial statements have been prepared in accordance with the standards as set forth by the Government Accounting Standards Board (GASB). The Association of School Business Officials International (ASBO) has also adopted these standards. The presentation allows the reader to obtain an overview of the District's financial operations by viewing the combined statements in the front section of the report. Detailed presentations of these combined statements are available throughout the remainder of the report.

*Independent Audit.* As required by Illinois state law, an annual audit of the financial records, books of account, and the transactions of all budgeted funds of the District have been made by an independent auditor. The auditors' opinion, as prepared by Miller Cooper & Co., Ltd., Certified Public Accountants, is included within the financial section of this report.

*Certificate of Excellence.* The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to Community Consolidated School District No. 59 for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2013, the 31st consecutive year for receipt of the award.

In order to be awarded this Certificate, the District must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

Certificates of Excellence are valid for a period of one year only. We believe our current report continues to conform to the Certificate requirements, and we are submitting it to ASBO.

*Closing Comment.* The purpose of the Comprehensive Annual Financial Report is to provide the Board of Education, Board of Trustees, Township Treasurer, District Administration, the community and other interested parties a meaningful report of the District's financial condition as of June 30, 2014.

*Acknowledgment.* The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of all the members of the Business Services Department who assisted in the closing of the District's financial records and the preparation of this report.

We would also like to thank members of the Board of Education for their interest and support in conducting the financial affairs of the District for the 2014 fiscal year.

Respectfully submitted,



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**Dr. Arthur Fessler**  
Superintendent of Schools



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**Ms. Ruth S. Gloede**  
CSBO/Asst. Supt. for Business Services

# Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award  
is presented to*

## **Community Consolidated School District 59**

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2013*

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, reading 'Terrie S. Simmons'.

Terrie S. Simmons, RSBA, CSBO  
President

A handwritten signature in black ink, reading 'John D. Musso'.

John D. Musso, CAE, RSBA  
Executive Director

## **FINANCIAL STATEMENTS**



# MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education  
Community Consolidated School District 59  
Arlington Heights, Illinois

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Community Consolidated School District 59, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Community Consolidated School District 59's basic financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Community Consolidated School District 59's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

(Continued)

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Community Consolidated School District 59 as of June 30, 2014 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 15, the Illinois Municipal Retirement Fund historical data on page 55, the other postemployment benefits data on page 56, and the budgetary comparison schedules on pages 57 through 79 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit for the year ended June 30, 2014 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Community Consolidated School District 59's basic financial statements. The other schedules listed in the table of contents, in the introductory section, the supplementary financial information, other supplementary information and the statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information for the year ended June 30, 2014 has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information, is fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2014.

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**Other Information** (Continued)

The District's basic financial statements, for the year ended June 30, 2013 (not presented herein), were audited by other auditors whose report thereon, dated October 15, 2013, expressed unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The report of the other auditors, dated October 15, 2013, stated that the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Transportation Fund, Municipal Retirement Fund, Debt Service Fund and Capital Projects Fund for the year ended June 30, 2013, were subjected to the auditing procedures applied in the audit of the 2013 basic financial statements and certain additional auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and, in their opinion was fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2013.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly we do not express an opinion or provide any assurance on it.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 15, 2014, on our consideration of Community Consolidated School District 59's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Consolidated School District 59's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.



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Certified Public Accountants

Deerfield, Illinois  
December 22, 2014

## **Community Consolidated School District 59 Management's Discussion and Analysis**

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This section of Community Consolidated School District 59's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2014. Please read it in conjunction with the transmittal letter found in the introductory section and the District's financial statements.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement 34 Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments issued June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

### **Financial Highlights**

The District experienced a decrease in the FY14 financial position. It reported a \$3.8 million (1.9%) decrease in net position when compared to the prior year.

The District's financial practices reflect long-term financial planning strategies with the specific purpose of maintaining its strong financial position:

- The Board of Education upholds the goal of preserving the District's financial integrity as measured by the State of Illinois School Financial Profile "Financial Recognition" status. This Profile incorporates fund balance to revenue ratio, expenditures to revenue ratio, day's cash on hand, and short and/or long-term debt obligations.
- The School District, by policy, seeks to maintain an estimated unassigned (in the Educational Fund) and restricted (in the Operations and Maintenance, Transportation and Working Cash Funds) aggregate ending fund balance based on budgeted revenues and expenditures of no less than the range of 50-60 percent of the annual aggregated budgeted expenditures in the Educational, Operations and Maintenance, Transportation and Working Cash Funds.
- Budgeting practices incorporate the unpredictable loss of property tax revenue due to assessment appeals and the subsequent issuance of refunds, positioning the District in an anticipatory position with regard to expenditure planning.
- The District updates its long-term financial projections semi-annually incorporating Board planning discussions and long-term financial plans for capital projects, including facilities and technology.
- The District stays abreast of emerging issues and proactively addresses them as part of its on-going financial planning strategies.

# Community Consolidated School District 59 Management's Discussion and Analysis

## Overview of the Financial Statements

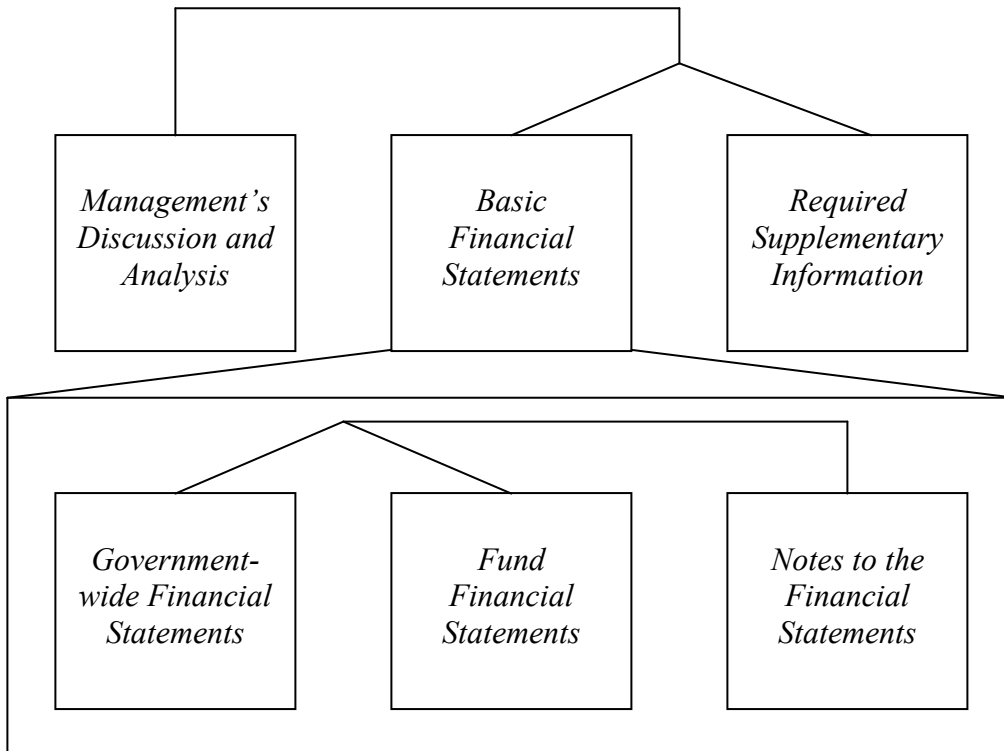
This annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are *Government-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's operations in *more detail* than the Government-wide statements.
- The *governmental funds statements* tell how basic services, such as regular and special education, were financed in the *short term* as well as what remains for future spending.
- *Fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a *trustee* or *agent* for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements and places the District in compliance with Continuing Disclosure Undertaking requirements for the benefit of bondholders. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1.

### Organization of Community Consolidated School District 59 Annual Financial Report



## Community Consolidated School District 59 Management's Discussion and Analysis

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of the management's discussion and analysis highlights the structure and contents of each of the statements.

<b>Figure A-2</b>			
<b>Major Features of the Government-wide and Fund Financial Statements</b>			
	<b>Government-wide Statements</b>	<b>Fund Financial Statements</b>	
		<b>Governmental Funds</b>	<b>Fiduciary Funds</b>
<i>Scope</i>	Entire District (except fiduciary funds).	The activities of the District that is not proprietary or fiduciary, such as special education and building maintenance.	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies.
<i>Required financial statements</i>	1) Statement of net position.	1) Balance Sheet.	1) Statement of fiduciary net position.
	2) Statement of activities.	2) Statement of revenues, expenditures, and changes in fund balances.	2) Statement of changes in fiduciary net position.
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial focus.	Accrual accounting and economic resources focus.
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term.	Generally assets expected to be consumed and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included.	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can.
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All additions and deductions during the year, regardless of when cash is received or paid.

### Government-wide Statements

The Government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and deferred outflows and liabilities and deferred inflows. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

## Community Consolidated School District 59 Management's Discussion and Analysis

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The two Government-wide statements report the District's *net position* and how they have changed. Net position – the difference between the District's assets and deferred outflows and liabilities and deferred inflows – are one way to measure the District financial health or *position*.

- Over time, a pattern of increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, readers need to consider additional non-financial factors such as changes in the District's property tax base and the condition of District facilities.

In the Government-wide financial statements, the District's activities are all categorized as *governmental activities*. All of the District's basic services are included here, such as regular and special education, transportation, and administration. Property taxes, local sources and state formula aid finance most of these activities.

### Fund Financial Statements

School District 59's fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debt) or to show that it is properly using certain revenues (such as Working Cash).

The District has two categories of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can be readily converted to cash flow in and out, and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the Government-wide statements, additional information following the governmental funds statements explain the relationship (or differences) between them.
- *Fiduciary funds*: The District is the trustee, or *fiduciary*, for assets that belong to others, such as the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the Government-wide financial statements because it cannot use these assets to finance its operations.

**Community Consolidated School District 59  
Management's Discussion and Analysis**

**Financial Analysis of the District as a Whole**

**Net Position:** The District experienced a decrease in the FY14 financial position. It reported a \$3.8 million (1.9%) decrease in net position when compared to the prior year as a result of the following (See Figure A-3):

- The District's total assets decreased \$1.3 million, or 0.5%.
- Current assets remained virtually the same.
- Capital assets decreased \$1.4 million due to \$4.1 million in depreciation netted with \$2.7 million in additions.
- The District's total liabilities increased \$1.8 million to \$24.7 million from \$22.9 million. This includes the annual debt retirement for the 2003A Series and Series 2009 General Obligation Bonds, accounts payable, compensated absences, net IMRF pension obligation, early retirement incentives, and other postemployment benefits.
- The net change in deferred outflows and inflows remained flat with unearned property tax revenue increasing \$0.3 million and the final amortization of the deferred loss on refunding was recorded in fiscal year 2014, which resulted in a decrease in deferred outflows of \$0.3 million.

**Figure A-3**  
**Condensed Statements of Net Position (in millions of dollars)**  
*Governmental Activities*

	<u>2012/13</u>	<u>2013/14</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
<b>Assets:</b>				
Current Assets	\$ 161.0	\$ 161.1	\$ 0.1	0.1%
Capital Assets	<u>79.4</u>	<u>78.0</u>	<u>(1.4)</u>	-1.8%
Total Assets	\$ 240.4	\$ 239.1	\$ (1.3)	-0.5%
<b>Deferred Outflows:</b>				
Deferred amount on refunding	\$ 0.3	\$ -	\$ (0.3)	NA
<b>Liabilities:</b>				
Long-term debt outstanding	\$ 11.1	\$ 7.9	\$ (3.2)	-28.8%
Other liabilities	<u>11.8</u>	<u>16.8</u>	<u>5.0</u>	42.4%
Total Liabilities	\$ 22.9	\$ 24.7	\$ 1.8	7.9%
<b>Deferred Inflow of Resources:</b>				
Unavailable property tax revenue	\$ 14.0	\$ 14.4	\$ 0.4	2.9%
<b>Net Position</b>				
Net investment in capital assets	\$ 70.8	\$ 72.4	\$ 1.6	2.3%
Restricted	4.0	15.1	11.1	277.5%
Unrestricted	<u>129.0</u>	<u>112.5</u>	<u>(16.5)</u>	-12.8%
<b>TOTAL NET POSITION</b>	<b>\$ 203.8</b>	<b>\$ 200.0</b>	<b>\$ (3.8)</b>	<b>-1.9%</b>

**Changes in Net Position:** The District's total revenues of \$116.2 million fell short of total expenditures of \$120.0 million by \$3.8 million. Total revenues increased \$8.6 million, or 8.0%, compared with a 10.8% increase in total expenditures, or \$11.7 million.



**Community Consolidated School District 59**  
**Management's Discussion and Analysis**

The change in revenues included operating grants and contributions that increased \$4.7 million primarily due to the recording of the State of Illinois on-behalf contribution to the state teacher pension system, reflecting a \$4.0 million increase.

Also, state aid-formula grants provided an additional \$1 million in FY14 over FY13 and investment earnings brought in an additional \$3.1 million. Net position decreased slightly from \$203.8 million in 2012/13 to \$200.0 million at year-end 2013/14. Instruction program expenditures increased \$11 million or 17.6%, which includes the increase of a \$4.0 million in the State of Illinois on-behalf expense to the state teacher pension system. The District implemented a student one-to-one technology device initiative giving each student grades K – 8 their own device accounting for \$4.0 million of the instruction program expenditures in 2013/14. This leaves \$3.0 million in regular program growth of salaries, benefits, etc. (See Figure A-4).

**Figure A-4**

**Changes in Net Position from Operating Results (in millions of dollars)**

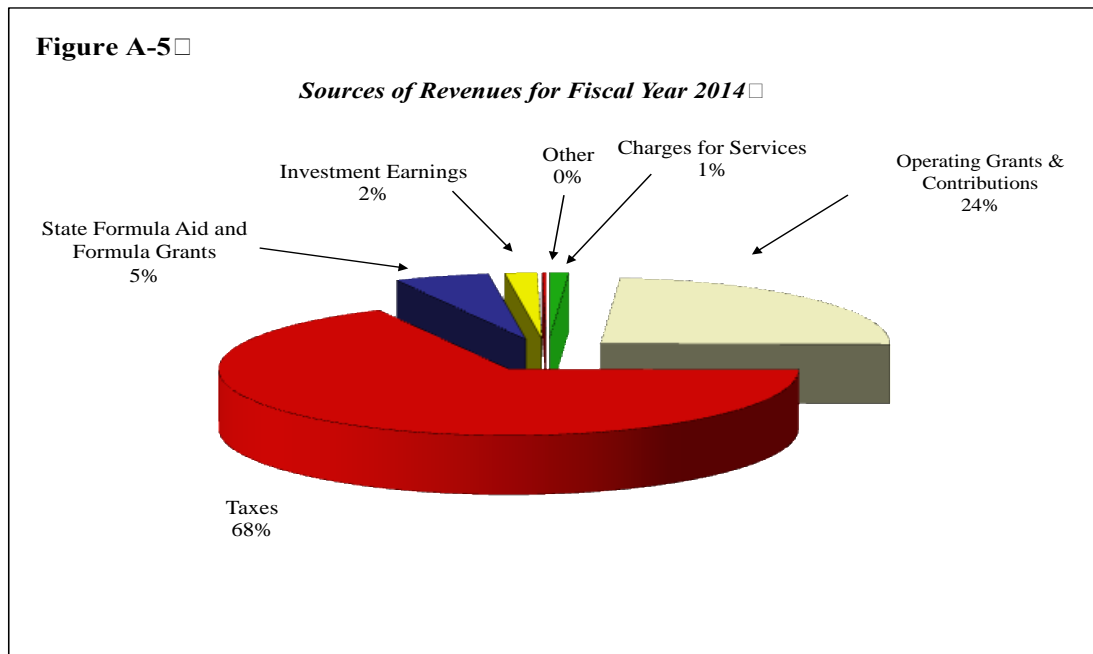
	<i>Governmental Activities</i>		<i>Percentage</i>
	<u>2012/13</u>	<u>2013/14</u>	<u>Change</u>
<b>REVENUE</b>			
Program Revenues			
Charges for Services	\$ 1.1	\$ 1.3	18.2%
Operating Grants and Contributions	23.2	27.9	20.3%
General Revenues			
Taxes	\$ 78.0	\$ 78.4	0.5%
State Formula Aid	5.1	6.2	21.6%
Other	0.2	2.4	1100.0%
<b>TOTAL REVENUE</b>	<b>\$ 107.6</b>	<b>\$ 116.2</b>	<b>8.0%</b>
<b>EXPENSES</b>			
Instruction	\$ 62.6	\$ 73.6	17.6%
Pupil and Instructional Services	9.8	10.5	7.1%
Administration and Business	12.3	14.2	15.4%
Transportation	4.9	5.1	4.1%
Operations and Maintenance	11.3	11.3	0.0%
Other	7.4	5.3	-28.4%
<b>TOTAL EXPENSES</b>	<b>\$ 108.3</b>	<b>\$ 120.0</b>	<b>10.8%</b>
<b>(DECREASE) IN NET POSITION</b>	<b>\$ (0.7)</b>	<b>\$ (3.8)</b>	<b>442.9%</b>
<b>NET POSITION</b>			
Beginning of year		<b>\$ 203.8</b>	
End of year		<b>\$ 200.0</b>	<b>-1.9%</b>

## Community Consolidated School District 59 Management's Discussion and Analysis

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### Governmental Activities

**Revenue (See Figure A-5):** Total District revenue for fiscal year 2014 was \$116.2 million. General revenues (\$87.0 million) are comprised of tax revenue, general state aid, investment earnings, and other non-restricted funds and comprise 75% of total revenue. Approximately 68% of the District's total revenue is generated by local property taxes and Corporate Personal Property Replacement Taxes (CPPRT), which are based on corporate income within the District's boundaries. Program revenues make up approximately 25% of total revenue. Examples of revenue sources within these categories include federal grant programs, state special education reimbursements, the reporting of the state's on-behalf contribution to the Teacher Retirement System (TRS), charges for services, and reimbursement programs for food services and transportation services.

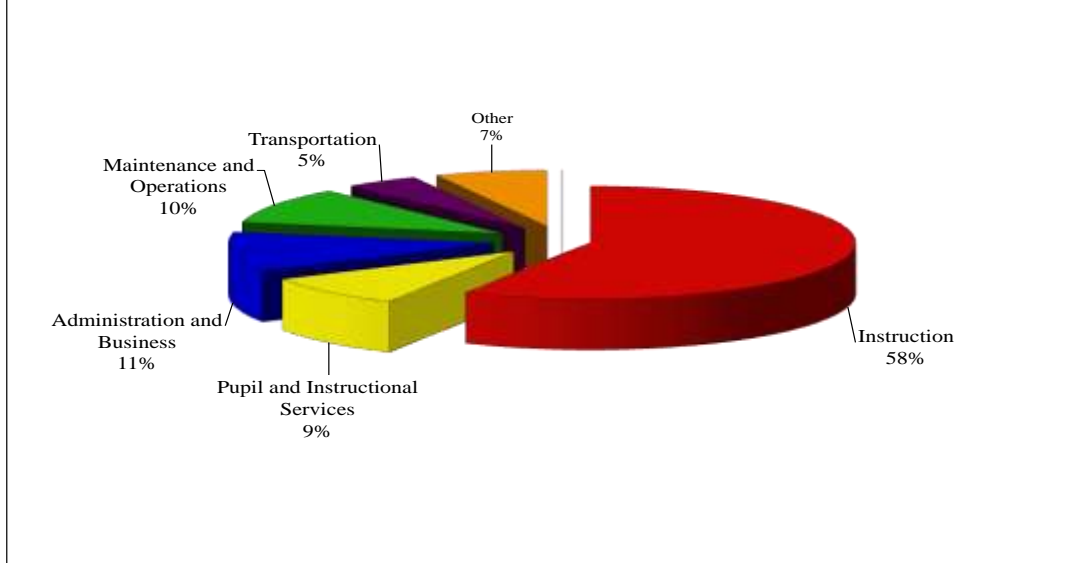


**Expenses (See Figure A-6):** Fiscal year 2014 expenses totaled \$120.0 million. The operation of the District's instructional program and its related support functions comprise 70.1% of the District's overall expenses. Capital improvement projects as well as regular on-going facility maintenance have been identified within the operations and maintenance function including the Capital Projects Fund, for a total 10% of overall expenses. The costs associated with daily transporting approximately 4,600 students total 5% of the District's overall expenses. Within the category of "Other", nonprogrammed charges excluding special education, account for \$2.2 million in expenses, paid to cover the expense of students whose special instructional needs are met by other educational organizations, such as the Northwest Suburban Special Education Cooperative (NSSEO). Interest on debt along with community services account for the balance of "Other" expenses, making up 7% of total expenditures. Administrative services, which includes school, central, and the school nutrition program, comprise 11% of total expenditures.

## Community Consolidated School District 59 Management's Discussion and Analysis

Figure A-6

*Expenses for Fiscal year 2014*



**Net Costs:** Figure A-7 presents the costs of six major District activities: instruction, pupil and support instructional services, administration and business, maintenance and operations, transportation and other. The table reports each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost represents the financial burden that was placed on the District's taxpayers by each of these functions.

Figure A-7

**Net Cost of Governmental Activities (in millions of dollars)**

	<i>Total Cost of Services</i>			<i>Pct. Chg.</i>	<i>Net Cost of Services</i>		
	<u>2012/13</u>	<u>2013/14</u>			<u>2012/13</u>	<u>2013/14</u>	
Instruction	\$ 62.6	\$ 73.6	17.6%	\$ 42.6	\$ 49.0	15.0%	
Pupil and Instructional Services	9.8	10.5	7.1%	9.8	10.4	6.1%	
Administration and Business	12.3	14.2	15.4%	10.1	11.7	15.8%	
Operations and Maintenance	11.3	11.3	0.0%	10.5	11.3	7.6%	
Transportation	4.9	5.1	4.1%	2.9	3.1	6.9%	
Other	7.4	5.3	-28.4%	7.4	5.3	-28.4%	
<b>TOTAL</b>	<b>\$ 108.3</b>	<b>\$ 120.0</b>	<b>10.8%</b>	<b>\$ 83.3</b>	<b>\$ 90.8</b>	<b>9.0%</b>	

The total costs of the District's activities during 2013/14 totaled \$120.0 million, a 10.8% increase over the prior year. Expenditures increased without funding increases in the area of instruction for student technology devices, which resulted in a \$4.0 million increase in the net cost of services and the area of Operations and Maintenance with the to the Administration building and lighting fixture replacements in all schools totaling \$3.6 million.

## Community Consolidated School District 59 Management's Discussion and Analysis

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### Financial Analysis of the District's Funds

The short-term financial performance of the District is reflected in its governmental funds. As the District completed the year, its governmental funds reported combined fund balances of \$125 million.

Analysis of the District's governmental funds demonstrates the commitment to long-term financial strategies and conservative budgeting practices:

- General Fund expenditures exceeded revenues by \$2,414,295.
- Operations and Maintenance Fund expenditures exceeded revenues by \$3,247,953.
- The Transportation Fund expenditures exceeded revenues by \$86,650.
- The Municipal Retirement/Social Security Fund revenues exceeded expenditures by \$39,407.
- The Series 2003A and Series 2009 Debt Service Fund debt obligation was met by a levy.

### General Fund Budgetary Highlights

The General Fund is comprised of the Educational and Working Cash Accounts.

Over the course of the year, the District did not revise its annual operating budget. The District budget was built based on specific assumptions and was finalized in August of the fiscal year. The General Fund fund balance of \$112.2 million reflects a decrease of \$2.4 million, or 2%, from the prior year's fund balance of \$114.6 million.

**Revenue:** Total revenue in the General Fund came in slightly higher than the District's budget by \$0.2 million or 0.2%.

Within the category of local sources, property taxes fell short of budget by \$1.6 million. Corporate Personal Property Replacement taxes (CPPRT) provided additional resources beyond the budget by \$1.0 million. CPPRT revenue is reflective of the income tax revenue generated by businesses within the District's boundaries. Other local sources exceeded budget by \$0.1 million and include receipts from school and meal fees, Cobra and retiree insurance payments, contributions, local grants, outdoor education fees, and facility rentals.

The reported State revenues, excluding the TRS On-Behalf Contribution, met budget estimates.

At the federal level, the revenue exceeded budget by \$0.4 million. The majority of this difference was attributed to \$0.2 million in additional School Nutrition Program Revenue.

**Expenditures:** Actual expenditures were \$0.9 million, or 1.0 %, under budget. Prudent financial management by budget managers, savings in payments for special education programs of \$0.3 million, Bilingual program expenditures of \$0.6 million, and budgeting \$0.2 million for contingencies made up the savings.

**Community Consolidated School District 59  
Management's Discussion and Analysis**

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**Capital Assets**

By the end of fiscal year 2014, the District had invested \$164.7 million in a broad range of capital assets, including land, buildings, land improvements, vehicles, equipment, and intangible assets. When netted with depreciation, the net capital assets equaled \$78.0 million, a reduction of 1.8%. (See Figure A-8.) (More detailed information about capital assets can be found in Notes to the Financial Statements.) Additions and deletions to capital assets including building improvements, land purchases, land improvements, vehicle purchases, and general equipment purchases netted a reduction of \$1.4 million during fiscal year 2014. Accumulated depreciation to buildings, land improvements, vehicles, equipment, and intangible assets totaled approximately \$86.8 million. The net impact of the decreased value of capital assets and the depreciated value accounted for a \$1.4 million decrease in the value of capital assets for fiscal year 2014.

<b>Figure A-8</b>			
<b>Capital Assets (net of depreciation, in millions of dollars)</b>			
	<i>Government Activities</i>		
	<u>2012/13</u>	<u>2013/14</u>	<u>Pct. Chg.</u>
Capital Assets not being depreciated	\$ 1.1	\$ 3.6	227.3%
Net Capital Assets being depreciated	<u>78.3</u>	<u>74.4</u>	-5.0%
<b>TOTAL</b>	<b>\$ 79.4</b>	<b>\$ 78.0</b>	<b>-1.8%</b>

A Board commitment to early education will be an area of focus in the area of school facilities over the short term, with consolidation of all age 3-5 early childhood programs to be housed in an addition to Holmes Junior High effective with the 2014/15 school year. Subsequent discussions are planned regarding the expansion of full day kindergarten opportunities to students district-wide. The District regularly updates its enrollment forecasts and incorporates these forecasts into its facility planning. In addition, future Board facility discussions will include the current administration building. Other capital improvements are primarily focused on improving building efficiency, addressing school security, and maintaining existing facilities and their infrastructure.

**Community Consolidated School District 59  
Management's Discussion and Analysis**

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**Debt Administration**

At year-end, the District had \$7.9 million in general obligation bonds and other long-term debt outstanding. (See Figure A-9.) (More detailed information about the District's long-term liabilities is presented in Notes to the Financial Statements.)

**Figure A-9**

**Outstanding Long-Term Debt (in millions of dollars)**

	<i>2012/13</i>	<i>2013/14</i>	<i>Change</i>
2003 A Series General Obligation			
Funding Bonds	\$ 1.3	\$ -	\$ (1.3)
2009 Series General Obligation			
Funding Bonds	7.4	5.5	(1.9)
Premium on Bonds and Deferred	0.1	0.1	-
Early Retirement Incentives	0.6	0.4	(0.2)
Other Post Employment Benefits	0.4	0.5	0.1
Net Pension Obligation	1.0	1.2	0.2
Compensated absences	0.2	0.2	-
<b>TOTAL</b>	<b>\$ 11.0</b>	<b>\$ 7.9</b>	<b>\$ (3.1)</b>

In April 2003, District 59 successfully passed a \$5 million debt service extension base referendum. In July 2003, the District proceeded in issuing \$38.5 million (\$28.4 in General Obligation Limited Tax Bonds, Series 2003A; and \$10.1 million in Taxable General Obligation Limited Tax Bonds, Series 2003B). Proceeds of the bonds were used to advance refund the District's outstanding Series 1996, 1998, and 1999 General Obligations Bonds (Alternate Revenue Source). The proceeds were placed in escrow and with maturities scheduled to meet the debt obligation of the alternate revenue bonds. The Series 2003 general obligation bond debt obligation is met by the voter-authorized Bond and Interest levy. In October 2009, the District issued \$7,425,000 in General Obligation School Bonds for the purpose of increasing the Working Cash fund for the District, and to pay costs associated with the issuance of the bonds. All existing debt as of June 30, 2014 is scheduled to be retired in 2016. Subsequent to June 30, 2014, the Board of Education authorized the issuance of not-to-exceed \$19.8 million in General Obligation Limited Tax School Bonds to increase the Working Cash Fund and to pay costs associated with the issuance of the bonds. In September 2014, the District moved forward with issuing \$9 million, with a second issue of approximately \$10.8 million currently scheduled for January 2015.

## **Community Consolidated School District 59 Management's Discussion and Analysis**

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### **Factors Bearing on the District's Future**

At the time these financial statements were prepared and audited, the District was aware of existing circumstances that could have financial implications in the future. The following emerging issues represent areas that are monitored on an ongoing basis:

- Continued economic uncertainty, including the State of Illinois' financial crisis, low rates of investment returns, and the overall local economic vitality.
- Means-testing or revisions to funding and/or pro-ratio formulas at the State level that would be intended to reduce the inequities in funding between school districts in Illinois.
- The funding shortfall for state pension funds including the Teacher's Retirement System (TRS) that would shift additional funding obligations to the local school district.
- Unfunded mandates generated by legislative actions, such as changes to state and federal health insurance laws and breakfast programs.
- The uncertain future of property values which may negatively impact equalized assessed value (EAV) growth.
- Historically low Consumer Price Index that limits property tax revenues.
- The assessment decisions being made by the Cook County Property Tax Appeals Board and the Circuit Court.
- Assessment reduction or exemption efforts, either by individual property owners, municipalities, legislation, and/or County ordinance.
- Increases in tax rate objections and TIF districts.
- State tax laws that create incentives for businesses that could erode the funding of the taxing bodies.
- Legislative initiatives that are based on the assumption that schools are too dependent on property taxes as a source of revenue.

Long-term financial planning, conservative budgeting practices, and stable negotiated agreements with all union groups provide the District flexibility to successfully address anticipated circumstances as they develop.

### **Contacting the District's Financial Management**

This financial report is designed to provide the District's citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Business Services, Community Consolidated School District 59, 2123 S. Arlington Heights Road, Arlington Heights, Illinois 60005. You may also refer to the website: [www.ccsd59.org](http://www.ccsd59.org).

## **BASIC FINANCIAL STATEMENTS**



**Community Consolidated School District 59**  
**STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES**  
June 30, 2014

**ASSETS**

Cash and investments	\$ 117,824,372
Receivables (net of allowance for uncollectibles):	
Interest	247,599
Property taxes	35,852,907
Replacement taxes	769,415
Accounts	286,179
Intergovernmental	6,103,927
Inventory	36,476
Prepaid items	1,145
Capital assets:	
Land	3,098,076
Construction in progress	522,628
Depreciable buildings, property, and equipment, net	<u>74,349,445</u>
Total assets	<u>239,092,169</u>

**LIABILITIES**

Accounts payable	7,059,411
Salaries and benefits payable	9,206,644
Claims payable	407,136
Interest payable	54,442
Unearned revenue	106,332
Long-term liabilities:	
Due within one year	3,714,352
Due after one year	<u>4,179,081</u>
Total liabilities	<u>24,727,398</u>

**DEFERRED INFLOW OF RESOURCES**

Unavailable property tax revenue	<u>14,372,091</u>
Total deferred inflows	<u>14,372,091</u>

**NET POSITION**

Net investment in capital assets	72,430,149
Restricted for:	
Operations and maintenance	3,307,573
Debt service	3,219,499
Student transportation	8,067,214
Retirement benefits	464,543
Unrestricted	<u>112,503,702</u>
Total net position	<u>\$ 199,992,680</u>

The accompanying notes are an integral part of this statement.

## Community Consolidated School District 59

### STATEMENT OF ACTIVITIES For the Year Ended June 30, 2014

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 35,244,296	\$ 392,040	\$ 1,812,229	\$ (33,040,027)
Special programs	10,980,062	153,407	3,998,264	(6,828,391)
Other instructional programs	10,122,805	30,870	948,136	(9,143,799)
State retirement contributions	17,259,924	-	17,259,924	-
Support services:				
Pupils	5,584,877	-	-	(5,584,877)
Instructional staff	4,994,377	-	160,266	(4,834,111)
General administration	2,654,743	-	-	(2,654,743)
School administration	5,663,503	-	-	(5,663,503)
Business	5,772,738	672,979	1,716,058	(3,383,701)
Transportation	5,133,424	5,118	2,039,707	(3,088,599)
Operations and maintenance	11,324,351	731	-	(11,323,620)
Central	2,232,673	-	-	(2,232,673)
Other supporting services	246,885	-	-	(246,885)
Community services	161,786	-	-	(161,786)
Nonprogrammed charges - excluding special education	2,170,658	-	-	(2,170,658)
Interest and fees	469,292	-	-	(469,292)
Total governmental activities	<u>\$ 120,016,394</u>	<u>\$ 1,255,145</u>	<u>\$ 27,934,584</u>	<u>\$ (90,826,665)</u>
General revenues:				
Taxes:				
Real estate taxes, levied for general purposes				59,865,317
Real estate taxes, levied for specific purposes				10,553,781
Real estate taxes, levied for debt service				3,478,612
Personal property replacement taxes				4,532,575
State aid-formula grants				6,177,081
Investment earnings				2,112,305
Miscellaneous				273,688
Total general revenues				<u>86,993,359</u>
Change in net position				(3,833,306)
Net position, beginning of year				<u>203,825,986</u>
Net position, end of year				<u>\$ 199,992,680</u>

The accompanying notes are an integral part of this statement.

## Community Consolidated School District 59

Governmental Funds

BALANCE SHEET

June 30, 2014

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
<b>ASSETS</b>				
Cash and investments	\$ 106,530,610	\$ 3,214,072	\$ 5,613,967	\$ 202,532
Receivables (net of allowance for uncollectibles):				
Interest	247,599	-	-	-
Property taxes	29,007,903	2,872,686	1,485,964	788,245
Replacement taxes	29,809	415,217	-	324,389
Accounts	3,852	271,780	10,547	-
Intergovernmental	3,724,788	-	2,379,139	-
Inventory	36,476	-	-	-
Prepaid Items	1,145	-	-	-
	<u>139,582,182</u>	<u>6,773,755</u>	<u>9,489,617</u>	<u>1,315,166</u>
Total assets	<u>\$ 139,582,182</u>	<u>\$ 6,773,755</u>	<u>\$ 9,489,617</u>	<u>\$ 1,315,166</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 4,260,076	\$ 1,989,572	\$ 809,763	\$ -
Salaries and benefits payable	8,413,221	274,002	2,452	516,969
Claims payable	407,136	-	-	-
Unearned revenue	106,332	-	-	-
	<u>13,186,765</u>	<u>2,263,574</u>	<u>812,215</u>	<u>516,969</u>
Total liabilities	<u>13,186,765</u>	<u>2,263,574</u>	<u>812,215</u>	<u>516,969</u>
<b>DEFERRED INFLOWS</b>				
Unavailable interest revenue	6,179	57,839	14,081	17,771
Unavailable grant revenue	2,535,032	-	2,295,936	-
Unavailable property taxes	11,629,871	1,144,769	596,107	315,883
	<u>14,171,082</u>	<u>1,202,608</u>	<u>2,906,124</u>	<u>333,654</u>
Total deferred inflows	<u>14,171,082</u>	<u>1,202,608</u>	<u>2,906,124</u>	<u>333,654</u>
<b>FUND BALANCES</b>				
Nonspendable	37,621	-	-	-
Restricted	-	3,307,573	5,771,278	464,543
Assigned	6,342,798	-	-	-
Unassigned	105,843,916	-	-	-
	<u>112,224,335</u>	<u>3,307,573</u>	<u>5,771,278</u>	<u>464,543</u>
Total fund balance	<u>112,224,335</u>	<u>3,307,573</u>	<u>5,771,278</u>	<u>464,543</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 139,582,182</u>	<u>\$ 6,773,755</u>	<u>\$ 9,489,617</u>	<u>\$ 1,315,166</u>

The accompanying notes are an integral part of this statement.

Debt Service	Total
\$ 2,263,191	\$ 117,824,372
-	247,599
1,698,109	35,852,907
-	769,415
-	286,179
-	6,103,927
-	36,476
-	1,145
<u>\$ 3,961,300</u>	<u>\$ 161,122,020</u>
\$ -	\$ 7,059,411
-	9,206,644
-	407,136
-	106,332
<u>-</u>	<u>16,779,523</u>
1,898	97,768
-	4,830,968
<u>685,461</u>	<u>14,372,091</u>
<u>687,359</u>	<u>19,300,827</u>
-	37,621
3,273,941	12,817,335
-	6,342,798
-	105,843,916
<u>3,273,941</u>	<u>125,041,670</u>
<u>\$ 3,961,300</u>	<u>\$ 161,122,020</u>

**Community Consolidated School District 59**  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL  
FUNDS TO THE STATEMENT OF NET POSITION  
For the Year Ended June 30, 2014

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Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds	\$ 125,041,670
Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.	77,970,149
Certain grant receivables are not available to pay for current expenditures are unavailable in the governmental funds.	4,830,968
Certain revenue receivable (interest) are recognized in the statement of net position do not provide current financial resources and are unavailable in the governmental funds.	97,768
Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, accordingly, is not recognized in the governmental funds balance sheet.	(54,442)
Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet.	<u>(7,893,433)</u>
Net position of governmental activities	<u>\$ 199,992,680</u>

The accompanying notes are an integral part of this statement.

## Community Consolidated School District 59

Governmental Funds

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2014

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
<b>Revenues</b>				
Property taxes	\$ 59,865,317	\$ 5,832,657	\$ 3,127,536	\$ 1,593,588
Replacement taxes	1,112,575	1,920,000	-	1,500,000
State aid	26,649,340	-	1,717,573	-
Federal aid	5,238,133	-	-	-
Interest	1,875,248	111,647	99,774	7,736
Other	1,483,606	101,109	5,118	-
<b>Total revenues</b>	<u>96,224,219</u>	<u>7,965,413</u>	<u>4,950,001</u>	<u>3,101,324</u>
<b>Expenditures</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular programs	34,499,842	-	-	400,397
Special programs	8,460,631	-	-	405,608
Other instructional programs	9,878,763	-	-	236,143
State retirement contributions	17,259,924	-	-	-
<b>Support services:</b>				
Pupils	5,376,772	-	-	206,978
Instructional staff	4,742,486	-	-	244,865
General administration	2,568,714	-	-	85,623
School administration	5,330,357	-	-	330,981
Business	3,893,324	1,458,496	-	194,755
Transportation	52,721	-	5,036,651	40,011
Operations and maintenance	-	6,798,521	-	705,882
Central	1,947,482	-	-	208,557
Other supporting services	246,885	-	-	-
Community services	159,669	-	-	2,117
Nonprogrammed charges	4,233,065	38,135	-	-
<b>Debt service:</b>				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	20,507	2,918,214	-	-
<b>Total expenditures</b>	<u>98,671,142</u>	<u>11,213,366</u>	<u>5,036,651</u>	<u>3,061,917</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(2,446,923)	(3,247,953)	(86,650)	39,407
<b>Other financing sources (uses)</b>				
Transfers in	32,628	-	-	-
Transfers (out)	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>32,628</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	(2,414,295)	(3,247,953)	(86,650)	39,407
<b>Fund balance, beginning of year</b>	<u>114,638,630</u>	<u>6,555,526</u>	<u>5,857,928</u>	<u>425,136</u>
<b>Fund balance, end of year</b>	<u>\$ 112,224,335</u>	<u>\$ 3,307,573</u>	<u>\$ 5,771,278</u>	<u>\$ 464,543</u>

The accompanying notes are an integral part of this statement.

<u>Debt Service</u>		<u>Total</u>	
\$	3,478,612	\$	73,897,710
	-		4,532,575
	-		28,366,913
	-		5,238,133
	57,516		2,151,921
	-		1,589,833
	<u>3,536,128</u>		<u>115,777,085</u>
	-		34,900,239
	-		8,866,239
	-		10,114,906
	-		17,259,924
	-		5,583,750
	-		4,987,351
	-		2,654,337
	-		5,661,338
	-		5,546,575
	-		5,129,383
	-		7,504,403
	-		2,156,039
	-		246,885
	-		161,786
	-		4,271,200
	3,210,000		3,210,000
	289,538		289,538
	-		2,938,721
	<u>3,499,538</u>		<u>121,482,614</u>
	36,590		(5,705,529)
	-		32,628
	<u>(32,628)</u>		<u>(32,628)</u>
	<u>(32,628)</u>		<u>-</u>
	3,962		(5,705,529)
	<u>3,269,979</u>		<u>130,747,199</u>
\$	<u>3,273,941</u>	\$	<u>125,041,670</u>

## Community Consolidated School District 59

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2014

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Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ (5,705,529)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeds capital outlay expense in the current period.	(1,440,067)
Certain revenues included in the statement of activities do not provide current financial resources and, therefore, are deferred in the fund statements.	406,003
Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds.	40,933
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.	<u>2,865,354</u>
Change in net position of governmental activities	<u><u>\$ (3,833,306)</u></u>

The accompanying notes are an integral part of this statement.



# Community Consolidated School District 59

## Fiduciary Funds

### STATEMENT OF FIDUCIARY NET POSITION

June 30, 2014

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	Agency Fund	Private Purpose Trust Fund
<hr/>		
ASSETS		
Cash and investments	\$ 69,790	\$ 17,050
LIABILITIES		
Due to student groups	69,790	-
NET POSITION HELD IN TRUST FOR EXTERNAL PARTIES	\$ -	\$ 17,050

The accompanying notes are an integral part of this statement.

**Community Consolidated School District 59**  
Fiduciary Funds - Private Purpose Trust Fund  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
For the Year Ended June 30, 2014

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	Private Purpose Trust Fund
<hr/>	
ADDITIONS	
Contributions by external parties	\$ 4,666
DEDUCTIONS	
Scholarships paid	<u>2,235</u>
Change in net position	2,431
Net position, beginning of year	<u>14,619</u>
Net position, end of year	<u>\$ 17,050</u>

The accompanying notes are an integral part of this statement.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Community Consolidated School District 59 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

#### 1. Reporting Entity

The District is located in Cook County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all personnel, budgetary, taxing, and debt matters.

The District includes all funds of its operations that are controlled by or dependent upon the District as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will, and fiscal dependency. The accompanying financial statements include only those funds of the District, as there are no organizations for which it has financial accountability.

Also, the District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

#### 2. Fund Accounting

The accounts of the District are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental and fiduciary.

Governmental funds are used to account for all of the District's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (debt service funds) and the acquisition or construction of major capital facilities (capital projects fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund. The District considers all governmental funds to be major.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

##### a. General Fund

The *General Fund* includes the Educational Account and the Working Cash Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources held by the District to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid within one year. As allowed by the School Code of Illinois, this Fund may be permanently abolished and become part of the Educational Account, or it may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Account of at least .05% of the District's current equalized assessed valuation.

##### b. Special Revenue Funds

The special revenue funds are used to account and report for the proceeds of specific revenue sources (other than those accounted for in the debt service or fiduciary funds) that are legally restricted or committed to expenditures for specified purposes.

Each of the District's special revenue funds has been established as a separate fund in accordance with the fund structure required by the state of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's special revenue funds is as follows:

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3. Government-Wide and Fund Financial Statements (Continued)

##### b. Special Revenue Funds

*Operations and Maintenance Fund* - accounts for all revenues and expenditures made for operations, repair, and maintenance of the District's building and land. Revenues consist primarily of local property taxes.

*Transportation Fund* - accounts for all revenues and expenditures made for student transportation. Revenues are derived primarily from local property taxes and state reimbursement grants.

*Municipal Retirement/Social Security Fund* - accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for noncertified employees. Revenues to finance contributions is derived primarily from local property taxes and personal property replacement taxes.

##### c. Debt Service Fund

The *Debt Service Fund* - is used for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue source is local property taxes levied specifically for debt service and transfers from other funds.

##### d. Fiduciary Fund

The fiduciary fund accounts for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

*The Agency Funds* - includes Student Activity Funds. These funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated, and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational, or cultural purposes. These funds account for activities such as student yearbook, and student clubs and council.

*The Private Purpose Trust Funds* - is accounted for on the flow of economic resources measurement focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The Private Purpose Trust Funds account for scholarship and memorial trust funds, the principal of which may not be spent.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4. Fund Balance

In the fund financial statements, governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash, such as prepaid items or inventories.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, or laws and regulations of other governments, or are imposed by law through enabling legislation. Special revenue funds are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any other purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. As of June 30, 2014, the District has no committed fund balances.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by the Board of Education or the individual to which the Board of Education delegates the authority to assign amounts to be used for specific purposes. Under the District's *Fund Balance Policy*, the District Superintendent has the authority to assign fund balances.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the General Fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, assigned balances, and, finally, they act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

Governmental fund balances reported on the fund financial statements at June 30, 2014 are as follows:

The nonspendable fund balance in the General Fund consists of \$36,476 and \$1,145 for inventory and prepaid items, respectively. The assigned fund balance in the General Fund is comprised of \$6,342,798 for self-insurance. The remaining restricted fund balances are for the purpose of the restricted funds as described above.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 5. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements and the Private Purpose Trust Funds are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and additions are recorded when earned, and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are used to account for the District's general governmental activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting, as are the fiduciary fund statements. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers most revenues available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if vouchered by year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences, claims, and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property and replacement taxes, interest, and intergovernmental revenue associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports unearned/unavailable revenue on its financial statements. Unearned revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned/unavailable revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned/unavailable revenue is removed from the balance sheet and revenue is recognized.

#### 6. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position/fund balance that applies to a future period(s). At June 30, 2014, the District has no deferred outflows of resources. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to a future reporting period(s). At June 30, 2014, the District's unavailable interest revenue, grant revenue, and property taxes are reported as deferred inflows of resources.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 7. Budgetary Data

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

#### 8. Deposits and Investments

State statutes require the District to use the custodial services of the Township School Treasurer. Investments are stated at fair value. All investment income, including changes in fair value of investments, has been recognized as revenue in the operating statements. The District has adopted a formal written investment and cash management policy. Interest income is allocated monthly to participating funds based upon their cash and investment balances.

#### 9. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the Municipal Retirement/Social Security Fund, with the balance at the discretion of the District.

#### 10. Prepaid Items

Prepaid items are recorded at cost and amortized over the term of the underlying agreements. Reported prepaid expenditures are equally offset by fund balance reserves, which indicate that they do not constitute "available spendable resources" even though the balances are a component of current net position.

#### 11. Inventory

Inventories are stated at the lower of average cost or market, and expensed when used. Inventories in the governmental funds consist of expendable supplies and are recorded as an expenditure when consumed.

#### 12. Capital Assets

Capital assets, which include land, land improvements, buildings, equipment, vehicles, and intangible assets are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost or group cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.



# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 12. Capital Assets (Continued)

Construction in progress is stated at cost and includes engineering, design, material, and labor incurred for planned construction. No provision for depreciation is made on construction in progress until the asset is completed and placed in service.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Depreciation of capital assets is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	30 - 40
Land improvements	20
Vehicles	5
Equipment	5 - 15

The District has capitalized an intangible asset, computer software, that is included with equipment. The District follows the same capitalization policy and estimated useful life for its intangible asset as it does for its equipment capital assets. The District also amortizes the intangible asset utilizing the straight-line method.

#### 13. Accumulated Unpaid Vacation and Sick Pay

District employees are eligible to earn 12 to 14 sick days each year depending on years of service and employee classification. Unused sick leave days accumulate up to the maximum Teachers Retirement System (TRS) allowable days for certified employees and 240 days for Education Support Professionals (ESP) and custodial/maintenance employees. Other employees accumulate unused sick days without limitation. Unused, earned sick days are generally used for credit with both the Teachers Retirement System (TRS) and Illinois Municipal Retirement Fund (IMRF). However, the Administrative Handbook does provide administrative retirees some reimbursement of unused sick days providing they enroll in non-district health insurance plans, the amounts for which are not significant. As such, the accrual for compensated absences does not include any amounts for earned but unused sick pay.

Employees who work a 12-month year are entitled to be compensated for vacation time. Vacations are usually taken within the fiscal year. A limit of 10 days may be carried over into the next year. The entire compensated absences liability is reported on the Government-wide financial statements.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 14. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount or loss on refunding. Bond issuance costs are reported as an expense in the period the costs are incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### 15. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows and deferred outflows, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### 16. Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net assets are either: (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, (2) imposed by law through constitutional provisions, or (3) imposed by enabling legislation. All of the District's restricted net position was restricted as a result of enabling legislation.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources, as the resources are needed.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Government Funds Balance Sheet and the Government-wide Statement of Net Position

The governmental funds balance sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet." The details of this difference are as follows:

Bonds payable	\$ 5,540,000
Premium on bonds	71,121
Compensated absences	181,441
Net IMRF pension obligation	1,154,966
Other postemployment benefits	517,177
Early retirement incentives	<u>428,728</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net position of governmental activities	<u>\$ 7,893,433</u>

2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances - total governmental funds and change in net position of governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$ 2,714,942
Depreciation expense	(4,145,902)
Loss on disposal of capital assets	<u>(9,107)</u>
Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	<u>\$ (1,440,067)</u>

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

#### 2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds." The details of this difference are as follows:

Principal repayments on bonds payable	\$ 3,210,000
Net pension obligation, net	(162,582)
Other postemployment benefits, net	(129,624)
Compensated absences, net	(25,511)
Retirement incentive plan, net	193,758
Unamortized premium	77,208
Deferred amount on refunding bonds	<u>(297,895)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities.	<u>\$ 2,865,354</u>

### NOTE C - DEPOSITS AND INVESTMENTS

#### 1. Cash and Investments Under the Custody of the Township Treasurer

As explained in Note A-8, the Illinois Compiled Statutes require the District to utilize the custodial services of the Township School Treasurer (the Treasurer). As such, the Treasurer is the lawful custodian of these school funds. The Treasurer is appointed by the School Trustees, an independently elected body, to serve the school districts in the township. The investment policies are established by the Treasurer, as prescribed by the Illinois School Code. The Treasurer is the direct recipient of property taxes, replacement taxes, and most state and federal aid, and disburses school funds upon lawful order to the School Board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below.

The Treasurer's investment policy is in line with State Statutes. The investments that the Treasurer may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) certificates of deposit or time deposits of banks and savings and loan association which are insured by a federal corporation; (4) short-term discount obligations of the Federal National Mortgage Association; (5) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

**NOTE C - DEPOSITS AND INVESTMENTS (Continued)**

**1. Cash and Investments Under the Custody of the Township Treasurer (Continued)**

District cash and investments (other than the Fiduciary Funds and petty cash) are held by the Township Treasurer. Cash for all funds is not deemed available for purposes other than those for which these balances are intended.

The Treasurer's office operates as an investment advisor. The fair value of the District's investment in the Treasurer's pool is determined by the District's proportionate share of the fair value of the investments held by the Treasurer's office. At June 30, 2014, the fair value of all cash and investments held by the Township Treasurer's Office was \$117,821,462.

At June 30, 2014, the District's cash and investments consisted of the following:

	Governmental	Fiduciary	Total
Cash and investments	\$ 117,824,372	\$ 86,840	\$ 117,911,212
	<u>117,824,372</u>	<u>86,840</u>	<u>117,911,212</u>

For disclosure purposes, this amount is segregated as follows:

	Total
Cash on hand	\$ 4,200
Deposits with financial institutions	21,578,951
Money market funds	35,188,755
Illinois School District Liquid Asset Fund Plus	185
Illinois Funds	22
Other investments	61,139,099
	<u>\$ 117,911,212</u>

At June 30, 2014, other investments consisted of the following:

Investment Type	Fair Value	Investment Maturity			
		Less Than One Year	One to Five Years	Six to Ten Years	Eleven Years Plus
FHLB	\$26,385,241	\$ 25,574,132	\$ 811,109	\$ -	\$ -
FHLMC	8,357,384	3,734,400	1,788,591	209,373	2,625,020
FNMA	21,138,059	9,516,926	1,451,711	5,080,623	5,088,799
FFCB	5,258,415	5,258,415	-	-	-
	<u>\$61,139,099</u>	<u>\$ 44,083,873</u>	<u>\$ 4,051,411</u>	<u>\$ 5,289,996</u>	<u>\$ 7,713,819</u>

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE C - DEPOSITS AND INVESTMENTS (Continued)

#### 2. Interest Rate Risk

The District's investment policy, which is the same as the Treasurer's office, seeks to ensure preservation of capital in the District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the policy requires the District's investment portfolio to be sufficiently liquid to enable the District to meet all operating requirements as they come due. A portion of the portfolio is required to be invested in readily available funds to ensure appropriate liquidity.

#### 3. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized rating organizations (NRSROs). The District's investment policy authorizes investments in any type of security as permitted by State statute. As of June 30, 2014, all of the District's other investments had AAA ratings with their applicable rating agency.

<u>Investment</u>	<u>Moody's Investor</u>	<u>Standard &amp; Poor's</u>
Federal Home Loan Bank (FHLB)	Aaa	AA+
Federal Home Loan Mortgage Corp (FHLMC)	Aaa	AA+
Federal National Mortgage Association (FNMA)	Aaa	AA+
Federal Farm Credit Banks (FFCB)	Aaa	AA+

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an unrated, not-for-profit investment trust formed pursuant to the Illinois School Code and managed by a Board of Trustees elected from participating members. It is not registered with the SEC as an investment company, but operates in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments are valued at share price, which is the price for which the investment could be sold.

The Illinois Funds, a state investment pool, was rated AAAM by Standard & Poor's. The State Treasurer is the regulatory oversight agency for the pool and the State Treasurer is audited by the Illinois Auditor General to ensure that all state statutes are being followed. Each member owns a prorated share of each investment or deposit, which is held in the name of the fund. The fair value of the position in the external investment pool is the same as the value of the pool shares.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE C - DEPOSITS AND INVESTMENTS (Continued)

#### 4. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District to meet their ongoing need for safety, liquidity, and rate of return. At June 30, 2014, 27% of the District's other investments are in Federal Home Loan Bank, 9% are in Federal Home Loan Mortgage Corp, 22% are in Federal National Mortgage Association, and 5% are in Federal Farm Credit Banks.

#### 5. Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2014, the bank balances of the District's deposits with financial institutions total \$21,522,561. Uninsured certificates of deposit totaled \$667 at June 30, 2014. There were no other uninsured balances.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for the District's investment or any other high-quality, interest-bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's, or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization.

#### 6. Cash in the Custody of the District

At June 30, 2014, the carrying value of the District's Fiduciary Funds was \$86,840, all of which was deposited with a financial institutions.

### NOTE D - PROPERTY TAXES RECEIVABLE

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on December 9, 2013. The District's property tax is levied each year on all taxable real property located in the District and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

The Cook County Assessor is responsible for the assessment of all taxable real property within Cook County except for certain railroad property, which is assessed directly by the state. One-third of the County is reassessed every year by the Assessor.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE D - PROPERTY TAXES RECEIVABLE (Continued)

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the state. Each year, the Illinois Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment between counties at one-third of market value. This factor (the equalization factor) is then applied to the assessed valuation to compute the valuation of property to which tax rate will be applied (the equalized assessed valuation). The equalization factor for Cook County was 2.6621 for 2013.

The County Clerk adds the equalized assessed valuation of all real property in the County to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2013 tax levy was \$2,431,861,380.

Property taxes are collected by the Cook County Collector/Treasurer, who remits the District's share of collections to the School Treasurer. Taxes levied in one year become due and payable in two installments on March 1 and approximately August 1 during the following year. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment is based on the current levy, assessment, and equalization, and any changes from the prior year will be reflected in the second installment bill.

The portion of the 2013 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectibles of 2%. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Such time, thereafter, does not exceed 60 days. Net taxes receivable less the amount expected to be collected within 60 days is reflected as deferred inflow/unavailable revenue.

### NOTE E - RETIREMENT FUND COMMITMENTS

#### 1. Teachers' Retirement System of the State of Illinois

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing, multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago.

The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action, with the Governor's approval. The state of Illinois maintains the primary responsibility for funding the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the system's administration.

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The active member contribution rate for the year ended June 30, 2014 was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after January 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2013 and 2012.



# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

#### 1. Teachers' Retirement System of the State of Illinois (Continued)

The state of Illinois makes contributions directly to TRS on behalf of the District's TRS-covered employees.

##### On-behalf Contributions

The state of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2014, state of Illinois contributions were based on 35.41 percent of creditable earnings not paid from federal funds, and the District recognized revenue and expenditures of \$16,792,699 in pension contributions that the state of Illinois paid directly to TRS. For the years ended June 30, 2013 and June 30, 2012, the contribution rates were 28.05 percent, \$12,869,766 and 24.91 percent, \$11,191,845, respectively.

The District makes other types of employer contributions directly to TRS.

##### 2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2014 were \$279,372. Contributions for the years ended June 30, 2013 and June 30, 2012 were \$270,554 and \$264,643, respectively.

##### Federal and Special Trust Fund Contributions

When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that has been in effect since the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS. Public Act 98-0674 now requires the two rates to be the same.

For the year ended June 30, 2014, the employer pension contribution was 35.41 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2013 and 2012, the employer contribution was 28.05 and 24.91 percent, respectively. For the year ended June 30, 2014, salaries totaling \$743,927 were paid from federal and special trust funds that required employer contributions of \$263,425. For the years ended June 30, 2013 and June 30, 2012, required District contributions were \$215,115 and \$170,156, respectively.

##### Early Retirement Option (ERO)

The District is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member.

The maximum employer ERO contribution under the current program is 146.5 percent and applies when the member is age 55 at retirement.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

#### 1. Teachers' Retirement System of the State of Illinois (Continued)

##### Early Retirement Option (ERO) (Continued)

For the year ended June 30, 2014, the District paid \$30,635 to TRS for employer contributions under the ERO program. For the years ended June 30, 2013 and June 30, 2012, the District paid \$0 and \$0, respectively, in employer ERO contributions.

##### Salary Increases Over 6 Percent and Excess Sick Leave

If the District grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the District makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent.

For the year ended June 30, 2014, the District paid \$6,016 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2013 and June 30, 2012, the District paid \$72,779 and \$41,017, respectively.

If the District grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the District makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary rate reported by the granting employer during the four-year sick leave review period, and the TRS total normal cost rate (17.29 percent of salary during the year ended June 30, 2014).

For the year ended June 30, 2014, the District paid \$0 to TRS for sick leave days granted in excess of the normal annual allotment. For the years ended June 30, 2013 and June 30, 2012, the District paid \$0 and \$0, respectively.

##### Further Information on TRS

TRS financial information, an explanation of TRS benefits, and descriptions of member, employer, and state funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2013. The report for the year ended June 30, 2014 is expected to be available in late 2014.

The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, 2815 West Washington Street, P.O. Box 19253, Springfield, IL 62794-9253. The most current report is also available on the TRS Web site at <http://trs.illinois.gov>.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

#### 1. Teachers' Retirement System of the State of Illinois (Continued)

##### THIS Fund Employer Contributions

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state-administered participating provider option plan or choose from several managed care options. Beginning February 1, 2014, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to the THIS Fund.

The percentage of employer-required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

##### On-behalf Contributions to the THIS Fund

The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members, which were 0.97 percent of pay during the year ended June 30, 2014. State of Illinois contributions were \$467,225 and the District recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2013 and June 30, 2012 were 0.92 and 0.88 percent of pay, respectively. State contributions on behalf of District employees were \$429,165 and \$401,387, respectively.

##### Employer Contributions to the THIS Fund

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.72 percent during the year ended June 30, 2014 and 0.69 and 0.66 percent during the years ended June 30, 2013 and June 30, 2012, respectively. For the year ended June 30, 2014, the District paid \$346,806 to the THIS Fund. For the years ended June 30, 2013 and June 30, 2012, the District paid \$321,874 and \$301,102, respectively, which was 100 percent of the required contribution.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

#### 1. Teachers' Retirement System of the State of Illinois (Continued)

##### Further Information on the THIS Fund

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The current reports are listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

#### 2. Illinois Municipal Retirement Fund

##### *Plan Description*

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The District's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information (RSI). That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

##### *Funding Policy*

As set by statute, the District's regular plan members are required to contribute 4.5 percent of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The contribution rate for calendar year 2013 used by the District was 11.30 percent of annual covered payroll. The District annual required contribution rate for calendar year 2013 was 12.98 percent. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by state statute.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

**NOTE E - RETIREMENT FUND COMMITMENTS (Continued)**

**2. Illinois Municipal Retirement Fund (Continued)**

*Fiscal IMRF Pension Cost and Net IMRF Pension Obligation*

The District's annual IMRF pension cost is calculated based on the annual required contribution (ARC) of the employer. The following table shows the components of the District's annual IMRF pension cost for the fiscal year, the amount actually contributed to the plan for the fiscal year, and changes in the District's net IMRF pension obligation as of June 30, 2014.

	<u>June 30, 2014</u>
Annual required contribution (ARC)	\$ 1,578,690
Interest on net IMRF obligation	74,429
Adjustment to annual required contribution	<u>(53,202)</u>
Annual IMRF cost	1,599,917
Contributions made	<u>(1,437,335)</u>
Increase in IMRF obligation	162,582
Net IMRF obligation, beginning of year	<u>992,384</u>
Net IMRF obligation, end of year	<u>\$ 1,154,966</u>

*Annual Pension Cost*

Information related to the employer's contributions are on a fiscal year basis. The actuarial and trend information are on a calendar basis as that is the year used by the IMRF. The annual required contribution for the fiscal year 2014 was \$1,578,690.

Three-Year Trend Information for the Regular Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/14	\$ 1,599,917	89.8%	\$ 1,154,966
06/30/13	1,481,903	84.5%	992,384
06/30/12	1,379,366	80.4%	764,088

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE E - RETIREMENT FUND COMMITMENTS (Continued)

#### 2. Illinois Municipal Retirement Fund (Continued)

##### *Annual Pension Cost* (Continued)

The required contribution for 2013 was determined as part of the December 31, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10 percent per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3 percent annually. The actuarial value of the District's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20 percent corridor between the actuarial and market value of assets. The District's regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

##### *Funded Status and Funding Progress*

As of December 31, 2013, the most recent actuarial valuation date, the regular plan was 72.41 percent funded. The actuarial accrued liability for benefits was \$34,290,175 and the actuarial value of assets was \$24,830,493, resulting in an underfunded actuarial accrued liability (UAAL) of \$9,459,682. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$11,812,258 and the ratio of the UAAL to the covered payroll was 80 percent.

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

#### 3. Social Security/Medicare

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "nonparticipating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security/Medicare. The District paid the total required contribution for the current fiscal year.

### NOTE F - OTHER POSTEMPLOYMENT BENEFITS

##### *Plan Description*

The District provides the continuation of health care benefits and life insurance to employees, who retire from the District. Employees who terminate after reaching retirement eligibility in the plan are eligible to elect to continue their health care coverage by paying the monthly premium rate. Retirement for Certified personnel is defined as age 50 and 20 years of service, or age 60 and 10 years of service or age 62 and 5 years of service. Retirement for Non-Certified personnel is defined as age 55 and 25 years of service, or age 60 and 8 years of service or combined age and service of 85.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

**NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)**

*Funding Policy*

Funding is provided by the District on a pay-as-you-go basis with no contribution from the retiree. The District's expected contribution on behalf of the employees to the insurance provider was \$151,383 for fiscal year 2014.

*Annual OPEB Cost and Net OPEB Obligation*

The District's annual other post employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC). Actuarial calculations reflect a long-term perspective. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liability over thirty years. For fiscal year 2014, the District's annual estimated OPEB cost was \$281,007.

	<u>June 30, 2014</u>
Annual required contribution	\$ 278,423
Interest on net OPEB obligation	15,502
Adjustment to annual required contribution	<u>(12,918)</u>
Annual OPEB cost	281,007
Contributions made	<u>(151,383)</u>
Increase in net OPEB obligation	129,624
Net OPEB obligation, beginning of year	<u>387,553</u>
Net OPEB obligation, end of year	<u><u>\$ 517,177</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2014 and the two preceding fiscal years were as follows:

Actuarial Valuation Date	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/14	\$ 281,007	53.9%	\$ 517,177
6/30/13	298,615	39.6	387,553
6/30/12	297,697	39.7	207,239

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

#### *Funding Status and Funding Progress*

As of June 30, 2013 (most recent date available), the actuarial accrued liability for benefits was \$3,049,862, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) and the ratio of the unfunded actuarial accrued liability to the covered payroll were not available.

The projection of future benefit payments for an ongoing plan involved estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

#### *Methods and Assumptions*

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following simplifying assumptions were made:

Contribution rates:	
District	
Plan members	0%
Actuarial valuation date	June 30, 2013
Actuarial cost method	Entry age
Amortization period	Level percentage of pay, open
Remaining amortization	30 years
Asset valuation method	Market



# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE F - OTHER POSTEMPLOYMENT BENEFITS (Continued)

#### *Methods and Assumptions* (Continued)

Actuarial assumptions:

Investment rate of return*	4.00%
Projected salary increases	4.00%
Healthcare inflation rate	8.00% initial, 6.00% ultimate (0.5% reduction per year)
Mortality, turnover, disability, retirement ages	Same rates utilized for IMRF
Percentage of active employees assumed to elect benefit	20%
Assumed coverage elections	50% single coverage, 50% single plus spouse
Current premium rates	to age 65: single: \$773/mo; single plus spouse: \$1,782/mo

\*Includes inflation at 3.00%

## Community Consolidated School District 59

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

#### NOTE G - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	Balance July 1, 2013	Increases	Decreases	Balance June 30, 2014
Capital assets, not being depreciated				
Land	\$ 1,134,968	\$ 1,963,108	\$ -	\$ 3,098,076
Construction in progress	12,805	617,861	108,038	522,628
<b>Total capital assets not being depreciated</b>	<b>1,147,773</b>	<b>2,580,969</b>	<b>108,038</b>	<b>3,620,704</b>
Capital assets, being depreciated				
Buildings	130,368,303	108,038	-	130,476,341
Land improvements	2,355,827	-	-	2,355,827
Vehicles	742,914	33,384	36,100	740,198
Equipment	26,795,827	100,589	61,228	26,835,188
Intangible assets	702,433	-	-	702,433
<b>Total capital assets being depreciated</b>	<b>160,965,304</b>	<b>242,011</b>	<b>97,328</b>	<b>161,109,987</b>
Less accumulated depreciation for:				
Buildings	57,214,308	3,045,584	-	60,259,892
Land improvements	1,322,463	83,073	-	1,405,536
Vehicles	564,578	65,015	32,490	597,103
Equipment	23,026,224	869,461	55,731	23,839,954
Intangible assets	575,288	82,769	-	658,057
<b>Total accumulated depreciation</b>	<b>82,702,861</b>	<b>4,145,902</b>	<b>88,221</b>	<b>86,760,542</b>
<b>Total capital assets being depreciated, net</b>	<b>78,262,443</b>	<b>(3,903,891)</b>	<b>9,107</b>	<b>74,349,445</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 79,410,216</b>	<b>\$ (1,322,922)</b>	<b>\$ 117,145</b>	<b>\$ 77,970,149</b>

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

**NOTE G - CAPITAL ASSETS (Continued)**

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities		
General Government		
Instructional staff		
Regular programs	\$	227,997
Special programs		13,281
Support services		
Pupils		1,126
Instructional staff		7,026
General administration		406
School administration		2,165
Business administration		2,384
Operations and Maintenance		3,810,841
Transportation		4,041
Central		<u>76,635</u>
Total depreciation from governmental activities	\$	<u><u>4,145,902</u></u>

**NOTE H - LONG-TERM LIABILITIES**

During the year ended June 30, 2014, the following is the long-term liability activity for the District:

	Balance July 1, 2013	Issued	Retired	Balance June 30, 2014
Bonds payable:				
General obligation bonds	\$ 8,750,000	\$ -	\$ 3,210,000	\$ 5,540,000
Unamortized Premium - 2003A	8,199	-	8,199	-
Unamortized Premium - 2009	<u>140,130</u>	<u>-</u>	<u>69,009</u>	<u>71,121</u>
Total bonds payable	<u>8,898,329</u>	<u>-</u>	<u>3,287,208</u>	<u>5,611,121</u>
Early retirement incentives	622,486	153,458	347,216	428,728
Other postemployment benefits	387,553	129,624	-	517,177
Compensated absences	155,930	645,097	619,586	181,441
Net IMRF pension obligation	<u>992,384</u>	<u>162,582</u>	<u>-</u>	<u>1,154,966</u>
Total long-term liabilities - governmental activities	<u>\$ 11,056,682</u>	<u>\$ 1,090,761</u>	<u>\$ 4,254,010</u>	<u>\$ 7,893,433</u>

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE H - LONG-TERM LIABILITIES (Continued)

The obligations for future health claims and retiree health plan will be repaid from the General Fund. The net IMRF obligation will be repaid from the Municipal Retirement/Social Security fund. Portions of the early retirement incentives and all compensated absences payments will be repaid from the fund from which the employee's salary is charged.

At June 30, 2014, amounts due within one year on the outstanding long-term liabilities were as follows:

General obligation bonds	\$ 3,335,000
Early retirement incentives	197,911
Compensated absences	<u>181,441</u>
Total long-term liabilities - governmental activities	<u>\$ 3,714,352</u>

#### 1. General Obligation Bonds

At June 30, 2014, the District's future cash flow requirements for retirement of bond principal and interest were as follows:

Year Ending June 30	Principal	Interest	Total
2015	\$ 3,335,000	\$ 163,326	\$ 3,498,326
2016	<u>2,205,000</u>	<u>63,276</u>	<u>2,268,276</u>
Total	<u>\$ 5,540,000</u>	<u>\$ 226,602</u>	<u>\$ 5,766,602</u>

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$3,273,941 in the Debt Service Fund to service the outstanding bonds payable.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE H - LONG-TERM LIABILITIES (Continued)

#### 1. General Obligation Bonds Payable (Continued)

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2014, a total of \$17,480,000 of bonds outstanding is considered defeased.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2014, the statutory debt limit for the District was \$167,798,435 of which \$162,258,435 is potentially available.

### NOTE I - OPERATING LEASES

The District leases equipment under noncancelable operating leases. The total costs for such leases were \$144,644 for the year ended June 30, 2014. At June 30, 2014, future minimum lease payments for these leases were as follows:

Year Ending		Total
June 30		
2015	\$	144,644
2016		60,839
	\$	<u>205,483</u>

### NOTE J - RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters.

The District is self-insured for employee medical coverage. Blue Cross/Blue Shield administers claims for a per-person, per-month fee. Expenditures are recorded as incurred in the form of direct contributions from the District to Blue Cross/Blue Shield for payment of employee health claims and administration fees. The District's liability will not exceed \$135,000 per covered employee in the aggregate as provided by stop-loss provisions incorporated in the plan.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

### NOTE J - RISK MANAGEMENT (Continued)

The District has recorded an unpaid claims liability for claims that have occurred but are not settled and for claims incurred but not recorded (IBNR). This liability is based upon estimates from an annual actuarial study, based on historical trends. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Such accrued liabilities are necessarily based on estimates; thus, the District's ultimate liability may exceed or be less than the amounts accrued.

For the two years ended June 30, 2014 and June 30, 2013, changes in the liability for unpaid claims are summarized as follows:

	<u>Claims Payable</u> <u>July 1, 2013</u>	<u>Current Year</u> <u>Claims and</u> <u>Changes in</u> <u>Estimates</u>	<u>Claims</u> <u>Payments</u>	<u>Claims Payable</u> <u>June 30, 2014</u>
Fiscal Year 2014	\$ <u>435,234</u>	\$ <u>7,254,204</u>	\$ <u>7,282,302</u>	\$ <u>407,136</u>
Fiscal Year 2013	\$ <u>443,928</u>	\$ <u>7,673,621</u>	\$ <u>7,682,315</u>	\$ <u>435,234</u>

The District continues to carry commercial insurance for all other risks of loss, including worker's compensation, torts and professional liability insurance. There have been no significant reductions in insurance coverage from coverage in prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

### NOTE K - RETIREMENT INCENTIVES

If a certified employee notifies the District by June 30 of an irrevocable intent to retire at the end of the school year four years later, the certified employee shall receive a total increase of six percent (6%) per year over his or her salary in the previous year for the final three years of employment prior to retirement. If a certified employee provides notification of an irrevocable intent to retire less than three years in the future, the certified employee shall receive a total increase of six percent (6%) in each of the remaining years before he or she retires. As of June 30, 2014, the District's liability for increases due to intent to retire is \$428,729.

### NOTE L - INTERFUND TRANSFERS

The District transferred \$32,628 from the Debt Service Fund to the General Fund. The amount transferred represents interest earned on investments.

# Community Consolidated School District 59

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2014

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### NOTE M - JOINT AGREEMENTS

The District is a member of the Northwest Suburban Special Education Organization (NSSEO), a joint agreement that provides certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, NSSEO should not be included as a component unit of the District.

### NOTE N - CONTINGENCIES

#### 1. Litigation

The District, in the normal course of business, is subject to various ongoing property tax appeals and objections, and general litigation. Although the outcome of these matters is not presently determinable, the resolution of these matters, should the outcome be unfavorable, could have a significant impact on future tax revenues.

#### 2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

### NOTE O - SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 22, 2014, the date these financial statements were available to be issued. Management has determined that no events or transactions, other than the transaction described below, have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

On October 1, 2014, the District issued \$8,980,000 in General Obligation Limited Taxable School Bonds, Series 2014 for the construction of an Early Learning Center.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**(Unaudited)**



**Community Consolidated School District 59**

SCHEDULE OF FUNDING PROGRESS

ILLINOIS MUNICIPAL RETIREMENT FUND

June 30, 2014

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Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2)-(1)]/(5)
12/31/13	\$ 24,830,493	\$ 34,290,175	72.41 %	\$ 9,459,682	\$ 11,812,258	80.08 %
12/31/12	23,992,656	33,838,493	70.90	9,845,837	11,422,315	86.20
12/31/11	22,510,865	31,733,766	70.94	9,222,901	11,244,073	82.02

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$30,395,296. On a market value basis, the funded ratio would be 88.64%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Community Consolidated School District 59. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

**Community Consolidated School District 59**

SCHEDULE OF FUNDING PROGRESS  
OTHER POSTEMPLOYMENT BENEFITS

June 30, 2014

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Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2)-(1)]/(5)
6/30/14*	\$ -	\$ 3,049,862	0.00 %	\$ 3,049,862	\$ NA	NA %
6/30/13	-	3,049,862	0.00	3,049,862	NA	NA
6/30/12	-	3,091,846	0.00	3,091,846	NA	NA

N/A - Information not available.

\*No valuation was performed for the fiscal year ended June 30, 2014. Results from prior year actuarial study.

**Community Consolidated School District 59**  
General Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2014  
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 60,579,865	\$ 58,998,215	\$ (1,581,650)	\$ 58,851,452
Special education levy	876,125	867,102	(9,023)	856,924
Tort immunity levy	-	-	-	(164)
Corporate personal property replacement taxes	137,838	1,112,575	974,737	576,556
Regular tuition from pupils or parents	60,308	60,307	(1)	57,433
Regular tuition from other districts	18,000	13,660	(4,340)	16,500
Regular tuition from other sources (in state)	-	8,930	8,930	-
Summer school tuition from pupils or parents	19,500	30,870	11,370	13,061
Special education tuition from pupils or parents	200,000	107,620	(92,380)	183,789
Special education tuition from other districts	50,000	45,787	(4,213)	50,580
Interest on investments	1,679,100	1,020,108	(658,992)	(801,578)
Gain or loss on sale of investments	-	855,140	855,140	-
Sales to pupils - lunch	721,236	672,979	(48,257)	714,092
Contributions and donations from private sources	36,200	43,083	6,883	54,016
Refund of prior years' expenditures	30,000	17,608	(12,392)	54,026
Local fees	244,759	249,452	4,693	239,083
Other	217,000	233,310	16,310	675,091
<b>Total local sources</b>	<b>64,869,931</b>	<b>64,336,746</b>	<b>(533,185)</b>	<b>61,540,861</b>
<b>State sources</b>				
General State Aid	6,218,444	6,177,081	(41,363)	5,113,913
Special Education - Private Facility Tuition	113,430	135,651	22,221	134,591
Special Education - Extraordinary	900,562	884,768	(15,794)	1,138,314
Special Education - Personnel	1,133,803	1,159,685	25,882	1,408,309
Special Education - Orphanage - Individual	31,141	18,506	(12,635)	65,934

(Continued)

**Community Consolidated School District 59**  
 General Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Special Education - Summer School	\$ 6,000	\$ 5,855	\$ (145)	\$ 5,818
Bilingual Ed. - Downstate - T.P.I. and T.P.E.	721,054	604,504	(116,550)	716,297
State Free Lunch and Breakfast	25,588	26,800	1,212	36,646
Early Childhood - Block Grant	317,225	371,716	54,491	349,287
Other state sources	4,704	4,850	146	9,432
On Behalf Payments to TRS from the State	<u>16,865,260</u>	<u>17,259,924</u>	<u>394,664</u>	<u>13,298,931</u>
Total state sources	<u>26,337,211</u>	<u>26,649,340</u>	<u>312,129</u>	<u>22,277,472</u>
Federal sources				
National School Lunch Program	1,320,505	1,333,727	13,222	1,285,770
Special Breakfast Program	201,211	218,804	17,593	209,509
Food Service - Other	-	136,727	136,727	130,216
Title I - Low Income	1,301,363	1,357,310	55,947	1,504,887
Federal - Special Education - Pre-School Flow Through	-	50,631	50,631	-
Federal - Special Education - I.D.E.A. - Flow Through	1,119,547	1,127,610	8,063	1,165,722
Federal - Special Education - I.D.E.A. - Room and Board	-	-	-	2,636
Title III - English Language Acquisition	287,582	343,632	56,050	369,480
Title II - Teacher Quality	156,101	155,416	(685)	161,800
Medicaid Matching Funds - Administrative Outreach	183,641	213,633	29,992	193,962
Medicaid Matching Funds - Fee-For-Service-Program	<u>260,972</u>	<u>300,643</u>	<u>39,671</u>	<u>-</u>
Total federal sources	<u>4,830,922</u>	<u>5,238,133</u>	<u>407,211</u>	<u>5,023,982</u>
Total revenues	<u>96,038,064</u>	<u>96,224,219</u>	<u>186,155</u>	<u>88,842,315</u>

(Continued)

**Community Consolidated School District 59**  
 General Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Expenditures				
Instruction				
Regular programs				
Salaries	\$ 25,214,076	\$ 25,032,751	\$ 181,325	\$ 24,796,559
Employee benefits	3,664,913	2,988,556	676,357	3,318,859
On-behalf payments to TRS from the state	16,865,260	17,259,924	(394,664)	13,298,931
Purchased services	286,115	260,477	25,638	411,342
Supplies and materials	1,891,825	4,487,109	(2,595,284)	889,887
Capital outlay	-	7,657	(7,657)	20,423
Other objects	1,529	3,219	(1,690)	2,565
Non-capitalized equipment	<u>2,115,153</u>	<u>1,268,894</u>	<u>846,259</u>	<u>270,738</u>
Total	<u>50,038,871</u>	<u>51,308,587</u>	<u>(1,269,716)</u>	<u>43,009,304</u>
Pre-K programs				
Salaries	440,880	362,493	78,387	480,998
Employee benefits	102,417	79,361	23,056	118,508
Purchased services	-	93	(93)	-
Supplies and materials	<u>7,200</u>	<u>16,889</u>	<u>(9,689)</u>	<u>8,762</u>
Total	<u>550,497</u>	<u>458,836</u>	<u>91,661</u>	<u>608,268</u>
Special education programs				
Salaries	4,611,936	3,569,899	1,042,037	4,082,546
Employee benefits	937,505	669,175	268,330	772,378
Purchased services	5,500	7,141	(1,641)	13,388
Supplies and materials	68,200	42,273	25,927	81,002
Non-capitalized equipment	<u>5,000</u>	<u>6,209</u>	<u>(1,209)</u>	<u>12,336</u>
Total	<u>5,628,141</u>	<u>4,294,697</u>	<u>1,333,444</u>	<u>4,961,650</u>

(Continued)

**Community Consolidated School District 59**  
 General Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
<b>Special education programs pre-K</b>				
Salaries	\$ 1,424,586	\$ 2,441,278	\$ (1,016,692)	\$ 1,247,978
Employee benefits	333,463	429,427	(95,964)	304,898
Purchased services	450	1,081	(631)	180
Supplies and materials	23,850	31,278	(7,428)	27,066
Other objects	30	60	(30)	90
Non-capitalized equipment	-	599	(599)	1,736
Total	<u>1,782,379</u>	<u>2,903,723</u>	<u>(1,121,344)</u>	<u>1,581,948</u>
<b>Remedial and Supplemental programs K-12</b>				
Salaries	538,713	542,968	(4,255)	560,140
Employee benefits	253,762	260,885	(7,123)	226,523
Supplies and materials	<u>10,000</u>	<u>26,414</u>	<u>(16,414)</u>	<u>47,865</u>
Total	<u>802,475</u>	<u>830,267</u>	<u>(27,792)</u>	<u>834,528</u>
<b>Interscholastic programs</b>				
Salaries	431,146	412,543	18,603	419,707
Employee benefits	5,500	5,875	(375)	6,727
Purchased services	16,500	16,447	53	16,412
Supplies and materials	19,380	28,339	(8,959)	26,891
Other objects	<u>2,900</u>	<u>3,041</u>	<u>(141)</u>	<u>3,464</u>
Total	<u>475,426</u>	<u>466,245</u>	<u>9,181</u>	<u>473,201</u>
<b>Summer school programs</b>				
Salaries	196,513	193,029	3,484	154,334
Employee benefits	2,206	1,722	484	1,340
Purchased services	-	561	(561)	44
Supplies and materials	28,800	6,433	22,367	29,044
Other objects	<u>-</u>	<u>945</u>	<u>(945)</u>	<u>-</u>
Total	<u>227,519</u>	<u>202,690</u>	<u>24,829</u>	<u>184,762</u>

(Continued)

**Community Consolidated School District 59**  
 General Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Gifted programs				
Salaries	\$ 460,837	\$ 480,570	\$ (19,733)	\$ 474,611
Employee benefits	74,699	63,150	11,549	64,425
Purchased services	-	500	(500)	-
Supplies and materials	<u>2,000</u>	<u>6,289</u>	<u>(4,289)</u>	<u>3,371</u>
Total	<u>537,536</u>	<u>550,509</u>	<u>(12,973)</u>	<u>542,407</u>
Bilingual programs				
Salaries	7,630,363	7,442,477	187,886	7,119,299
Employee benefits	1,224,407	1,066,614	157,793	1,092,258
Purchased services	400	80	320	462
Supplies and materials	400,734	150,108	250,626	373,971
Other objects	<u>-</u>	<u>40</u>	<u>(40)</u>	<u>-</u>
Total	<u>9,255,904</u>	<u>8,659,319</u>	<u>596,585</u>	<u>8,585,990</u>
Regular K-12 programs - private tuition				
Other objects	<u>35,000</u>	<u>-</u>	<u>35,000</u>	<u>-</u>
Special education programs K-12 - private tuition				
Other objects	<u>299,236</u>	<u>431,944</u>	<u>(132,708)</u>	<u>331,017</u>
Total instruction	<u>69,632,984</u>	<u>70,106,817</u>	<u>(473,833)</u>	<u>61,113,075</u>
Support services				
Pupils				
Attendance and social work services				
Salaries	1,085,533	1,084,817	716	1,026,693
Employee benefits	139,169	133,725	5,444	123,645
Purchased services	75,000	72,280	2,720	47,738
Supplies and materials	14,200	6,302	7,898	3,009
Non-capitalized equipment	<u>10,000</u>	<u>11,682</u>	<u>(1,682)</u>	<u>11,033</u>
Total	<u>1,323,902</u>	<u>1,308,806</u>	<u>15,096</u>	<u>1,212,118</u>

(Continued)

**Community Consolidated School District 59**  
 General Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
<b>Health services</b>				
Salaries	\$ 792,202	\$ 801,750	\$ (9,548)	\$ 708,793
Employee benefits	157,185	148,645	8,540	132,831
Purchased services	1,300	67,733	(66,433)	26,076
Supplies and materials	10,350	11,656	(1,306)	8,626
Other objects	-	420	(420)	240
Non-capitalized equipment	-	13,726	(13,726)	-
Total	<u>961,037</u>	<u>1,043,930</u>	<u>(82,893)</u>	<u>876,566</u>
<b>Psychological services</b>				
Salaries	931,981	846,267	85,714	897,107
Employee benefits	146,304	123,175	23,129	140,977
Purchased services	11,750	41,374	(29,624)	2,116
Supplies and materials	3,800	2,794	1,006	3,357
Total	<u>1,093,835</u>	<u>1,013,610</u>	<u>80,225</u>	<u>1,043,557</u>
<b>Speech pathology and audiology services</b>				
Salaries	1,619,718	1,590,517	29,201	1,402,031
Employee benefits	188,679	183,931	4,748	182,334
Purchased services	3,500	3,789	(289)	3,350
Supplies and materials	7,000	7,093	(93)	5,543
Total	<u>1,818,897</u>	<u>1,785,330</u>	<u>33,567</u>	<u>1,593,258</u>

(Continued)



**Community Consolidated School District 59**  
General Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2014  
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
<b>Other support services - pupils</b>				
Salaries	\$ 132,949	\$ 187,831	\$ (54,882)	\$ 127,207
Employee benefits	21,596	18,383	3,213	19,217
Purchased services	8,250	12,131	(3,881)	6,139
Supplies and materials	9,000	4,682	4,318	5,953
Other objects	800	472	328	520
Non-capitalized equipment	-	1,597	(1,597)	-
<b>Total</b>	<u>172,595</u>	<u>225,096</u>	<u>(52,501)</u>	<u>159,036</u>
<b>Total pupils</b>	<u>5,370,266</u>	<u>5,376,772</u>	<u>(6,506)</u>	<u>4,884,535</u>
<b>Instructional staff</b>				
<b>Improvement of instruction services</b>				
Salaries	978,953	724,801	254,152	671,166
Employee benefits	131,200	124,374	6,826	118,100
Purchased services	324,714	254,390	70,324	279,148
Supplies and materials	57,519	52,693	4,826	49,301
Other objects	500	844	(344)	262
<b>Total</b>	<u>1,492,886</u>	<u>1,157,102</u>	<u>335,784</u>	<u>1,117,977</u>
<b>Educational media services</b>				
Salaries	2,549,226	2,623,439	(74,213)	2,456,818
Employee benefits	573,864	504,779	69,085	492,811
Purchased services	13,700	3,945	9,755	2,044
Supplies and materials	209,456	195,030	14,426	208,442
Other objects	350	360	(10)	429
Non-capitalized equipment	15,500	35,680	(20,180)	8,100
<b>Total</b>	<u>3,362,096</u>	<u>3,363,233</u>	<u>(1,137)</u>	<u>3,168,644</u>

(Continued)

**Community Consolidated School District 59**  
 General Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Assessment and testing				
Salaries	\$ 66,360	\$ 90,544	\$ (24,184)	\$ 65,283
Employee benefits	300	343	(43)	399
Purchased services	54,700	45,333	9,367	58,324
Supplies and materials	<u>81,694</u>	<u>85,931</u>	<u>(4,237)</u>	<u>66,608</u>
 Total	 <u>203,054</u>	 <u>222,151</u>	 <u>(19,097)</u>	 <u>190,614</u>
 Total instructional staff	 <u>5,058,036</u>	 <u>4,742,486</u>	 <u>315,550</u>	 <u>4,477,235</u>
General administration				
Board of education services				
Salaries	108,754	111,583	(2,829)	53,452
Employee benefits	10,134	9,079	1,055	4,649
Purchased services	742,000	466,705	275,295	741,642
Supplies and materials	3,000	6,010	(3,010)	3,896
Other objects	17,000	19,687	(2,687)	15,833
Non-capitalized equipment	<u>-</u>	<u>3,493</u>	<u>(3,493)</u>	<u>-</u>
 Total	 <u>880,888</u>	 <u>616,557</u>	 <u>264,331</u>	 <u>819,472</u>
Executive administration services				
Salaries	508,065	560,192	(52,127)	616,820
Employee benefits	186,455	164,452	22,003	117,533
Purchased services	15,500	15,937	(437)	8,332
Supplies and materials	6,700	20,994	(14,294)	8,937
Other objects	7,500	12,961	(5,461)	5,884
Non-capitalized equipment	<u>4,500</u>	<u>-</u>	<u>4,500</u>	<u>5,795</u>
 Total	 <u>728,720</u>	 <u>774,536</u>	 <u>(45,816)</u>	 <u>763,301</u>

(Continued)

**Community Consolidated School District 59**  
General Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2014  
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Special area administrative services				
Salaries	\$ 851,331	\$ 873,414	\$ (22,083)	\$ 843,283
Employee benefits	233,199	254,373	(21,174)	222,636
Purchased services	21,650	32,105	(10,455)	20,406
Supplies and materials	13,651	15,878	(2,227)	5,383
Other objects	1,375	584	791	830
Non-capitalized equipment	<u>-</u>	<u>1,267</u>	<u>(1,267)</u>	<u>-</u>
Total	<u>1,121,206</u>	<u>1,177,621</u>	<u>(56,415)</u>	<u>1,092,538</u>
Total general administration	<u>2,730,814</u>	<u>2,568,714</u>	<u>162,100</u>	<u>2,675,311</u>
School administration				
Office of the principal services				
Salaries	4,349,931	4,169,991	179,940	4,056,445
Employee benefits	1,199,772	1,097,857	101,915	1,115,967
Purchased services	34,621	26,052	8,569	23,045
Supplies and materials	34,625	31,775	2,850	33,832
Capital outlay	-	-	-	5,200
Other objects	2,450	2,510	(60)	1,645
Non-capitalized equipment	<u>-</u>	<u>2,172</u>	<u>(2,172)</u>	<u>6,157</u>
Total school administration	<u>5,621,399</u>	<u>5,330,357</u>	<u>291,042</u>	<u>5,242,291</u>
Business				
Direction of business support services				
Salaries	257,601	258,028	(427)	244,712
Employee benefits	71,789	58,966	12,823	65,284
Purchased services	58,875	59,120	(245)	52,706
Supplies and materials	950	807	143	1,122
Other objects	<u>1,000</u>	<u>996</u>	<u>4</u>	<u>1,243</u>
Total	<u>390,215</u>	<u>377,917</u>	<u>12,298</u>	<u>365,067</u>

(Continued)

**Community Consolidated School District 59**  
 General Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Fiscal services				
Salaries	\$ 354,480	\$ 346,604	\$ 7,876	\$ 342,838
Employee benefits	75,427	612	74,815	(6,737)
Purchased services	14,315	18,993	(4,678)	13,576
Supplies and materials	10,450	1,702	8,748	1,424
Capital outlay	-	-	-	1,700
Other objects	<u>1,600</u>	<u>1,922</u>	<u>(322)</u>	<u>-</u>
Total	<u>456,272</u>	<u>369,833</u>	<u>86,439</u>	<u>352,801</u>
Pupil transportation services				
Salaries	2,821	2,820	1	1,717
Employee benefits	-	33	(33)	(5,134)
Purchased services	<u>80,161</u>	<u>49,868</u>	<u>30,293</u>	<u>72,612</u>
Total	<u>82,982</u>	<u>52,721</u>	<u>30,261</u>	<u>69,195</u>
Food services				
Salaries	615,909	550,210	65,699	546,187
Employee benefits	12,300	11,503	797	11,462
Purchased services	2,086,983	1,794,760	292,223	1,805,373
Supplies and materials	19,748	154,881	(135,133)	148,089
Non-capitalized equipment	<u>9,000</u>	<u>2,609</u>	<u>6,391</u>	<u>4,590</u>
Total	<u>2,743,940</u>	<u>2,513,963</u>	<u>229,977</u>	<u>2,515,701</u>

(Continued)

**Community Consolidated School District 59**  
 General Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
<b>Internal services</b>				
Salaries	\$ 323,490	\$ 306,112	\$ 17,378	\$ 312,069
Employee benefits	63,968	45,217	18,751	56,987
Purchased services	142,588	242,424	(99,836)	91,404
Supplies and materials	50,030	32,888	17,142	44,101
Other objects	630	970	(340)	1,030
Non-capitalized equipment	<u>5,000</u>	<u>4,000</u>	<u>1,000</u>	<u>685</u>
Total	<u>585,706</u>	<u>631,611</u>	<u>(45,905)</u>	<u>506,276</u>
Total business	<u>4,259,115</u>	<u>3,946,045</u>	<u>313,070</u>	<u>3,809,040</u>
<b>Central</b>				
<b>Planning, research, development and evaluation services</b>				
Salaries	14,400	17,160	(2,760)	26,724
Employee benefits	200	156	44	243
Purchased services	41,200	28,102	13,098	48,561
Supplies and materials	3,000	1,240	1,760	2,318
Other objects	<u>-</u>	<u>30</u>	<u>(30)</u>	<u>15</u>
Total	<u>58,800</u>	<u>46,688</u>	<u>12,112</u>	<u>77,861</u>
<b>Information services</b>				
Salaries	41,482	48,285	(6,803)	40,274
Employee benefits	4,632	4,016	616	4,129
Purchased services	56,225	89,522	(33,297)	50,594
Supplies and materials	5,000	4,198	802	-
Capital outlay	-	5,350	(5,350)	-
Other objects	500	-	500	90
Non-capitalized equipment	<u>-</u>	<u>7,661</u>	<u>(7,661)</u>	<u>-</u>
Total	<u>107,839</u>	<u>159,032</u>	<u>(51,193)</u>	<u>95,087</u>

(Continued)

**Community Consolidated School District 59**  
 General Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Staff services				
Salaries	\$ 545,629	\$ 524,036	\$ 21,593	\$ 554,306
Employee benefits	165,561	135,229	30,332	161,616
Purchased services	32,900	33,825	(925)	45,387
Supplies and materials	61,195	58,563	2,632	65,316
Capital outlay	-	7,500	(7,500)	-
Other objects	500	538	(38)	409
Non-capitalized equipment	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Total	<u>806,785</u>	<u>759,691</u>	<u>47,094</u>	<u>827,034</u>
Data processing services				
Salaries	641,923	609,309	32,614	499,865
Employee benefits	111,552	92,137	19,415	88,955
Purchased services	96,200	69,185	27,015	85,503
Supplies and materials	134,993	126,989	8,004	108,561
Other objects	190	195	(5)	45
Non-capitalized equipment	<u>210,000</u>	<u>97,106</u>	<u>112,894</u>	<u>1,332</u>
Total	<u>1,194,858</u>	<u>994,921</u>	<u>199,937</u>	<u>784,261</u>
Total central	<u>2,168,282</u>	<u>1,960,332</u>	<u>207,950</u>	<u>1,784,243</u>
Other supporting services				
Salaries	25,000	11,009	13,991	16,759
Employee benefits	4,800	843	3,957	106
Purchased services	176,549	230,929	(54,380)	169,043
Supplies and materials	<u>2,644</u>	<u>4,104</u>	<u>(1,460)</u>	<u>1,569</u>
Total	<u>208,993</u>	<u>246,885</u>	<u>(37,892)</u>	<u>187,477</u>
Total support services	<u>25,416,905</u>	<u>24,171,591</u>	<u>1,245,314</u>	<u>23,060,132</u>

(Continued)

**Community Consolidated School District 59**  
 General Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Community services				
Salaries	\$ 73,425	\$ 86,802	\$ (13,377)	\$ 74,083
Employee benefits	23,696	25,158	(1,462)	23,451
Purchased services	15,311	24,782	(9,471)	29,063
Supplies and materials	27,598	21,660	5,938	27,622
Non-capitalized equipment	-	1,267	(1,267)	-
Total	<u>140,030</u>	<u>159,669</u>	<u>(19,639)</u>	<u>154,219</u>
Payments for special education programs				
Purchased services	<u>1,695,475</u>	<u>2,062,407</u>	<u>(366,932)</u>	<u>1,992,476</u>
Total	<u>1,695,475</u>	<u>2,062,407</u>	<u>(366,932)</u>	<u>1,992,476</u>
Payments for regular programs - tuition				
Other objects	<u>50,000</u>	<u>20,459</u>	<u>29,541</u>	<u>-</u>
Payments for special education programs - tuition				
Other objects	<u>2,485,334</u>	<u>2,150,199</u>	<u>335,135</u>	<u>2,285,595</u>
Total payments to other districts and other government units	<u>4,230,809</u>	<u>4,233,065</u>	<u>(2,256)</u>	<u>4,278,071</u>
Provision for contingencies	<u>200,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>
Total expenditures	<u>99,620,728</u>	<u>98,671,142</u>	<u>949,586</u>	<u>88,605,497</u>
Excess (deficiency) of revenues over expenditures	<u>(3,582,664)</u>	<u>(2,446,923)</u>	<u>1,135,741</u>	<u>236,818</u>
Other financing sources				
Permanent transfer of interest	<u>77,200</u>	<u>32,628</u>	<u>(44,572)</u>	<u>23,421</u>
Total other financing sources	<u>77,200</u>	<u>32,628</u>	<u>(44,572)</u>	<u>23,421</u>

(Continued)

**Community Consolidated School District 59**  
 General Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Net change to fund balance	<u>\$ (3,505,464)</u>	(2,414,295)	<u>\$ 1,091,169</u>	260,239
Fund balance, beginning of year		<u>114,638,630</u>		<u>114,378,391</u>
Fund balance, end of year		<u>\$ 112,224,335</u>		<u>\$ 114,638,630</u>

(Concluded)



**Community Consolidated School District 59**  
Operations and Maintenance Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2014  
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 5,233,144	\$ 5,832,657	\$ 599,513	\$ 5,123,425
Tort immunity levy	-	-	-	(49)
Corporate personal property replacement taxes	1,920,000	1,920,000	-	3,054,033
Interest on investments	77,200	60,271	(16,929)	(39,318)
Gain or loss on sale of investments	-	51,376	51,376	-
Rentals	-	731	731	-
Contributions and donations from private sources	-	250	250	-
Refund of prior years' expenditures	-	126	126	-
Other	-	100,002	100,002	147,541
Total local sources	<u>7,230,344</u>	<u>7,965,413</u>	<u>735,069</u>	<u>8,285,632</u>
Total revenues	<u>7,230,344</u>	<u>7,965,413</u>	<u>735,069</u>	<u>8,285,632</u>
<b>Expenditures</b>				
<b>Support services</b>				
<b>Business</b>				
<b>Facilities acquisition and construction services</b>				
Purchased services	-	145,858	(145,858)	-
Supplies and materials	-	1,300,852	(1,300,852)	-
Capital outlay	-	2,227,402	(2,227,402)	-
Non-capitalized equipment	-	11,786	(11,786)	-
Total	<u>-</u>	<u>3,685,898</u>	<u>(3,685,898)</u>	<u>-</u>

(Continued)

**Community Consolidated School District 59**  
Operations and Maintenance Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2014  
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Operation and maintenance of plant services				
Salaries	\$ 3,771,044	\$ 3,721,666	\$ 49,378	\$ 3,633,423
Employee benefits	775,146	701,801	73,345	714,013
Purchased services	909,837	902,419	7,418	1,034,639
Supplies and materials	1,384,990	1,456,389	(71,399)	1,270,408
Capital outlay	2,783,000	690,812	2,092,188	835,549
Other objects	4,600	5,126	(526)	4,395
Non-capitalized equipment	<u>87,900</u>	<u>11,120</u>	<u>76,780</u>	<u>44,241</u>
 Total	 <u>9,716,517</u>	 <u>7,489,333</u>	 <u>2,227,184</u>	 <u>7,536,668</u>
 Total business	 <u>9,716,517</u>	 <u>11,175,231</u>	 <u>(1,458,714)</u>	 <u>7,536,668</u>
 Total support services	 <u>9,716,517</u>	 <u>11,175,231</u>	 <u>(1,458,714)</u>	 <u>7,536,668</u>
Payments to other districts and Government units				
Payments to other governmental units (in-state)				
Payments for special education programs				
Other objects	<u>38,135</u>	<u>38,135</u>	<u>-</u>	<u>36,425</u>
 Total other payments	 <u>38,135</u>	 <u>38,135</u>	 <u>-</u>	 <u>36,425</u>
Provision for contingencies	<u>150,000</u>	<u>-</u>	<u>150,000</u>	<u>-</u>
 Total expenditures	 <u>9,904,652</u>	 <u>11,213,366</u>	 <u>(1,308,714)</u>	 <u>7,573,093</u>
Excess (deficiency) of revenues over expenditures	<u>(2,674,308)</u>	<u>(3,247,953)</u>	<u>(573,645)</u>	<u>712,539</u>

(Continued)

**Community Consolidated School District 59**  
 Operations and Maintenance Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Other financing sources				
Other sources not classified elsewhere	\$ -	\$ -	\$ -	\$ 5,807
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,807</u>
Net change in fund balance	<u>\$ (2,674,308)</u>	(3,247,953)	<u>\$ (573,645)</u>	718,346
Fund balance, beginning of year		<u>6,555,526</u>		<u>5,837,180</u>
Fund balance, end of year		<u>\$ 3,307,573</u>		<u>\$ 6,555,526</u>

(Concluded)

## Community Consolidated School District 59

### Transportation Fund

#### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2014

With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 3,487,381	\$ 3,127,536	\$ (359,845)	\$ 3,366,298
Regular transportation fees from pupils or parents	15,226	5,118	(10,108)	8,070
Interest on investments	77,200	53,865	(23,335)	(37,744)
Gain or loss on sale of investments	-	45,909	45,909	-
Total local sources	<u>3,579,807</u>	<u>3,232,428</u>	<u>(347,379)</u>	<u>3,336,624</u>
<b>State sources</b>				
Transportation - Regular/Vocational	33,600	40,053	6,453	36,632
Transportation - Special Education	1,366,281	1,594,317	228,036	1,861,784
Early Childhood - Block Grant	137,694	83,203	(54,491)	105,632
Total state sources	<u>1,537,575</u>	<u>1,717,573</u>	<u>179,998</u>	<u>2,004,048</u>
Total revenues	<u>5,117,382</u>	<u>4,950,001</u>	<u>(167,381)</u>	<u>5,340,672</u>
<b>Expenditures</b>				
<b>Support services</b>				
<b>Business</b>				
<b>Pupil transportation services</b>				
Salaries	285,739	261,861	23,878	264,002
Employee benefits	54,378	51,101	3,277	49,654
Purchased services	4,451,632	4,353,607	98,025	4,075,834
Supplies and materials	399,300	365,015	34,285	347,792
Capital outlay	-	-	-	10,096
Other objects	250	99	151	137
Non-capitalized equipment	5,000	4,968	32	-
Total support services	<u>5,196,299</u>	<u>5,036,651</u>	<u>159,648</u>	<u>4,747,515</u>

(Continued)

# Community Consolidated School District 59

## Transportation Fund

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Year Ended June 30, 2014

With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Provision for contingencies	<u>\$ 15,000</u>	<u>\$ -</u>	<u>\$ 15,000</u>	<u>\$ -</u>
Total expenditures	<u>5,211,299</u>	<u>5,036,651</u>	<u>174,648</u>	<u>4,747,515</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (93,917)</u>	<u>(86,650)</u>	<u>\$ 7,267</u>	<u>593,157</u>
Fund balance, beginning of year		<u>5,857,928</u>		<u>5,264,771</u>
Fund balance, end of year		<u>\$ 5,771,278</u>		<u>\$ 5,857,928</u>

(Concluded)

**Community Consolidated School District 59**  
Municipal Retirement / Social Security Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2014  
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
<b>Local sources</b>				
General levy	\$ 745,367	\$ 778,297	\$ 32,930	\$ 528,431
Social security/Medicare only levy	823,374	815,291	(8,083)	943,232
Corporate personal property replacement taxes	1,500,000	1,500,000	-	850,000
Interest on investments	19,300	4,404	(14,896)	(5,687)
Gain or loss on sale of investments	-	3,332	3,332	-
	<u>3,088,041</u>	<u>3,101,324</u>	<u>13,283</u>	<u>2,315,976</u>
Total local sources	<u>3,088,041</u>	<u>3,101,324</u>	<u>13,283</u>	<u>2,315,976</u>
Total revenues	<u>3,088,041</u>	<u>3,101,324</u>	<u>13,283</u>	<u>2,315,976</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Regular programs	406,875	243,245	163,630	257,534
Pre-K programs	26,597	157,152	(130,555)	137,886
Special education programs	300,607	236,022	64,585	332,193
Special education programs pre-K	115,833	169,586	(53,753)	-
Remedial and supplemental programs K-12	7,739	-	7,739	-
Interscholastic programs	14,000	14,139	(139)	14,902
Summer school programs	10,175	12,117	(1,942)	8,013
Gifted programs	6,660	6,541	119	5,540
Bilingual programs	207,471	203,346	4,125	186,915
	<u>1,095,957</u>	<u>1,042,148</u>	<u>53,809</u>	<u>942,983</u>
Total instruction	<u>1,095,957</u>	<u>1,042,148</u>	<u>53,809</u>	<u>942,983</u>

(Continued)

**Community Consolidated School District 59**  
Municipal Retirement / Social Security Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2014  
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
Support services				
Pupils				
Attendance and social work services	\$ 26,756	\$ 25,827	\$ 929	\$ 24,860
Health services	103,923	105,620	(1,697)	86,259
Psychological services	14,983	11,490	3,493	16,997
Speech pathology and audiology services	38,539	32,579	5,960	28,703
Other support services -pupils	<u>19,368</u>	<u>31,462</u>	<u>(12,094)</u>	<u>18,758</u>
Total pupils	<u>203,569</u>	<u>206,978</u>	<u>(3,409)</u>	<u>175,577</u>
Instructional staff				
Improvement of instruction services	17,811	11,016	6,795	18,850
Educational media services	205,420	228,821	(23,401)	208,116
Assessment and testing	<u>2,375</u>	<u>5,028</u>	<u>(2,653)</u>	<u>2,929</u>
Total instructional staff	<u>225,606</u>	<u>244,865</u>	<u>(19,259)</u>	<u>229,895</u>
General administration				
Board of education services	1,576	1,617	(41)	813
Executive administration services	31,235	34,147	(2,912)	31,860
Special area administrative services	<u>51,265</u>	<u>49,859</u>	<u>1,406</u>	<u>47,296</u>
Total general administration	<u>84,076</u>	<u>85,623</u>	<u>(1,547)</u>	<u>79,969</u>
School administration				
Office of the principal services	<u>235,269</u>	<u>330,981</u>	<u>(95,712)</u>	<u>256,462</u>
Total school administration	<u>235,269</u>	<u>330,981</u>	<u>(95,712)</u>	<u>256,462</u>

(Continued)

**Community Consolidated School District 59**  
Municipal Retirement / Social Security Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2014  
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014		Variance From Final Budget	2013 Actual
	Original and Final Budget	Actual		
<b>Business</b>				
Direction of business support services	\$ 14,805	\$ 15,198	\$ (393)	\$ 13,936
Fiscal services	66,849	67,126	(277)	62,434
Operation and maintenance of plant services	667,857	705,882	(38,025)	653,810
Pupil transportation services	34,484	40,011	(5,527)	38,703
Food services	37,245	53,293	(16,048)	50,082
Internal services	<u>60,116</u>	<u>59,138</u>	<u>978</u>	<u>56,855</u>
Total business	<u>881,356</u>	<u>940,648</u>	<u>(59,292)</u>	<u>875,820</u>
<b>Central</b>				
Planning, research, development and evaluation services	100	288	(188)	440
Information services	7,860	9,462	(1,602)	7,389
Staff services	70,364	73,921	(3,557)	69,570
Data processing services	<u>103,453</u>	<u>124,886</u>	<u>(21,433)</u>	<u>91,837</u>
Total central	<u>181,777</u>	<u>208,557</u>	<u>(26,780)</u>	<u>169,236</u>
Total support services	<u>1,811,653</u>	<u>2,017,652</u>	<u>(205,999)</u>	<u>1,786,959</u>
Community services	<u>8,920</u>	<u>2,117</u>	<u>6,803</u>	<u>913</u>
Provision for contingencies	<u>20,000</u>	<u>-</u>	<u>20,000</u>	<u>-</u>
Total expenditures	<u>2,936,530</u>	<u>3,061,917</u>	<u>(125,387)</u>	<u>2,730,855</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 151,511</u>	<u>39,407</u>	<u>\$ (112,104)</u>	<u>(414,879)</u>
Fund balance, beginning of year		<u>425,136</u>		<u>840,015</u>
Fund balance, end of year		<u>\$ 464,543</u>		<u>\$ 425,136</u>

(Concluded)



**Community Consolidated School District 59**  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2014

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1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level.

The Board of Education follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December of each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- e) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- f) The budget amounts shown in the financial statements were originally adopted by the Board of Education on August 12, 2013.
- g) All budget appropriations lapse at the end of the fiscal year.

2. EXPENDITURES IN EXCESS OF BUDGETS

The following funds had expenditures in excess of budgets at June 30, 2014:

<u>Fund</u>	<u>Variance</u>
Operations and Maintenance	\$ 1,308,714
Municipal Retirement/Social Security	125,387

**SUPPLEMENTARY FINANCIAL INFORMATION**

## Community Consolidated School District 59

General Fund  
COMBINING BALANCE SHEET  
June 30, 2014

	Educational Account	Working Cash Account	Total
<b>ASSETS</b>			
Cash and investments	\$ 87,181,379	\$ 19,349,231	\$ 106,530,610
Receivables (net of allowance for uncollectibles):			
Interest	247,599	-	247,599
Property taxes	29,007,903	-	29,007,903
Replacement taxes	29,809	-	29,809
Accounts	3,852	-	3,852
Intergovernmental	3,724,788	-	3,724,788
Inventory	36,476	-	36,476
Prepaid Items	1,145	-	1,145
	<u>120,232,951</u>	<u>19,349,231</u>	<u>139,582,182</u>
Total assets	<u>\$ 120,232,951</u>	<u>\$ 19,349,231</u>	<u>\$ 139,582,182</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 4,260,076	\$ -	\$ 4,260,076
Salaries and benefits payable	8,413,221	-	8,413,221
Claims payable	407,136	-	407,136
Unearned revenue	106,332	-	106,332
	<u>13,186,765</u>	<u>-</u>	<u>13,186,765</u>
Total liabilities	<u>13,186,765</u>	<u>-</u>	<u>13,186,765</u>
<b>DEFERRED INFLOWS</b>			
Unavailable interest revenue	(71,231)	77,410	6,179
Unavailable grant revenue	2,535,032	-	2,535,032
Unavailable property taxes	11,629,871	-	11,629,871
	<u>14,093,672</u>	<u>77,410</u>	<u>14,171,082</u>
Total deferred inflows	<u>14,093,672</u>	<u>77,410</u>	<u>14,171,082</u>
<b>FUND BALANCES</b>			
Nonspendable	37,621	-	37,621
Assigned	6,342,798	-	6,342,798
Unassigned	86,572,095	19,271,821	105,843,916
	<u>92,952,514</u>	<u>19,271,821</u>	<u>112,224,335</u>
Total fund balance	<u>92,952,514</u>	<u>19,271,821</u>	<u>112,224,335</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 120,232,951</u>	<u>\$ 19,349,231</u>	<u>\$ 139,582,182</u>

## Community Consolidated School District 59

General Fund

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2014

	Educational Account	Working Cash Account	Total
<b>Revenues</b>			
Property taxes	\$ 59,870,840	\$ (5,523)	\$ 59,865,317
Replacement taxes	1,112,575	-	1,112,575
State aid	26,649,340	-	26,649,340
Federal aid	5,238,133	-	5,238,133
Interest	1,550,640	324,608	1,875,248
Other	1,483,606	-	1,483,606
<b>Total revenues</b>	<u>95,905,134</u>	<u>319,085</u>	<u>96,224,219</u>
<b>Expenditures</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular programs	34,499,842	-	34,499,842
Special programs	8,460,631	-	8,460,631
Other instructional programs	9,878,763	-	9,878,763
State retirement contributions	17,259,924	-	17,259,924
<b>Support services:</b>			
Pupils	5,376,772	-	5,376,772
Instructional staff	4,742,486	-	4,742,486
General administration	2,568,714	-	2,568,714
School administration	5,330,357	-	5,330,357
Business	3,893,324	-	3,893,324
Transportation	52,721	-	52,721
Operations and maintenance	-	-	-
Central	1,947,482	-	1,947,482
Other supporting services	246,885	-	246,885
Community services	159,669	-	159,669
Nonprogrammed charges	4,233,065	-	4,233,065
Capital outlay	20,507	-	20,507
<b>Total expenditures</b>	<u>98,671,142</u>	<u>-</u>	<u>98,671,142</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,766,008)</u>	<u>319,085</u>	<u>(2,446,923)</u>
<b>Other financing sources</b>			
Transfers in	32,628	-	32,628
<b>Total other financing sources</b>	<u>32,628</u>	<u>-</u>	<u>32,628</u>
<b>Net change in fund balance</b>	<u>(2,733,380)</u>	<u>319,085</u>	<u>(2,414,295)</u>
<b>Fund balance, beginning of year</b>	<u>95,685,894</u>	<u>18,952,736</u>	<u>114,638,630</u>
<b>Fund balance, end of year</b>	<u>\$ 92,952,514</u>	<u>\$ 19,271,821</u>	<u>\$ 112,224,335</u>

**Community Consolidated School District 59**  
Debt Service Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2014  
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Revenues				
Local sources				
General levy	\$ 3,600,707	\$ 3,478,612	\$ (122,095)	\$ 3,848,563
Interest on investments	77,200	31,889	(45,311)	(33,377)
Gain or loss on sale of investments	<u>-</u>	<u>25,627</u>	<u>25,627</u>	<u>-</u>
Total local sources	<u>3,677,907</u>	<u>3,536,128</u>	<u>(141,779)</u>	<u>3,815,186</u>
Total revenues	<u>3,677,907</u>	<u>3,536,128</u>	<u>(141,779)</u>	<u>3,815,186</u>
Expenditures				
Debt service				
Debt services - interest				
Bonds - interest	<u>288,876</u>	<u>286,123</u>	<u>2,753</u>	<u>516,353</u>
Total debt service - interest	<u>288,876</u>	<u>286,123</u>	<u>2,753</u>	<u>516,353</u>
Principal payments on long-term debt	<u>3,210,000</u>	<u>3,210,000</u>	<u>-</u>	<u>4,705,000</u>
Other debt service				
Other objects	<u>3,600</u>	<u>3,415</u>	<u>185</u>	<u>-</u>
Total	<u>3,600</u>	<u>3,415</u>	<u>185</u>	<u>-</u>
Total debt service	<u>3,502,476</u>	<u>3,499,538</u>	<u>2,938</u>	<u>5,221,353</u>
Total expenditures	<u>3,502,476</u>	<u>3,499,538</u>	<u>2,938</u>	<u>5,221,353</u>

(Continued)

**Community Consolidated School District 59**  
Debt Service Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2014  
With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Excess (deficiency) of revenues over expenditures	\$ 175,431	\$ 36,590	\$ (138,841)	\$ (1,406,167)
Other financing uses				
Permanent transfer of interest - out	(77,200)	(32,628)	44,572	(23,421)
Total other financing uses	(77,200)	(32,628)	44,572	(23,421)
Net change in fund balance	<u>\$ 98,231</u>	3,962	<u>\$ (94,269)</u>	(1,429,588)
Fund balance, beginning of year		<u>3,269,979</u>		<u>4,699,567</u>
Fund balance, end of year		<u>\$ 3,273,941</u>		<u>\$ 3,269,979</u>

(Concluded)

**Community Consolidated School District 59**  
 Capital Projects Fund  
 SCHEDULE OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 For the Year Ended June 30, 2014  
 With Comparative Actual Amounts for the Year Ended June 30, 2013

	2014			2013 Actual
	Original and Final Budget	Actual	Variance From Final Budget	
Expenditures				
Support services				
Facilities acquisition and construction services				
Capital outlay	-	-	-	1,088,117
Total support services	-	-	-	1,088,117
Total expenditures	-	-	-	1,088,117
Deficiency of revenues over expenditures	-	-	-	(1,088,117)
Other financing uses				
Other uses not classified elsewhere	-	-	-	(5,807)
Total other financing uses	-	-	-	(5,807)
Net change in fund balance	\$ -	-	\$ -	(1,093,924)
Fund balance, beginning of year		-		1,093,924
Fund balance, end of year		\$ -		\$ -

**Community Consolidated School District 59**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND - STUDENT ACTIVITY FUNDS**  
Year Ended June 30, 2014

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
<b>Assets</b>				
Cash	\$ 65,847	\$ 137,795	\$ 133,852	\$ 69,790
Receivable	13,957	-	13,957	-
<b>Total assets</b>	<b>\$ 79,804</b>	<b>\$ 137,795</b>	<b>\$ 147,809</b>	<b>\$ 69,790</b>
<b>Liabilities</b>				
Due to student groups				
Friendship Jr High School	\$ 18,684	\$ 31,210	\$ 32,742	\$ 17,152
Grove Jr High School	35,128	52,983	65,005	23,106
Holmes Jr High School	19,527	44,950	40,381	24,096
Salt Creek	306	1,419	613	1,112
<b>Total due to student groups</b>	<b>73,645</b>	<b>130,562</b>	<b>138,741</b>	<b>65,466</b>
Due to supporting organizations				
Gifted and Talented				
Association	588	-	-	588
Jan's Memorial Fund	357	500	826	31
Patrol	984	-	-	984
Student Council	665	-	-	665
Student Store	3,565	6,733	8,242	2,056
<b>Total due to supporting organizations</b>	<b>6,159</b>	<b>7,233</b>	<b>9,068</b>	<b>4,324</b>
<b>Total liabilities</b>	<b>\$ 79,804</b>	<b>\$ 137,795</b>	<b>\$ 147,809</b>	<b>\$ 69,790</b>



**STATISTICAL SECTION**  
**(Unaudited)**

## Statistical Section

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	87
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	94
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	97
<b>Demographic and Economic Information</b>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	103
<b>Operating Information</b>	
These schedules contain information about the District's service and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	105

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**Community Consolidated School District 59**  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>Governmental activities</b>										
Net investment in capital assets	\$ 72,430,149	\$ 70,809,782	\$ 68,881,912	\$ 65,660,775	\$ 59,345,607	\$ 61,798,424	\$ 57,978,930	\$ 56,823,122	\$ 54,094,571	\$ 51,296,587
Restricted for:										
Operations and maintenance	3,307,573 *	-	-	-	-	-	-	-	-	-
Debt service	3,219,499	3,174,604	4,528,588	3,088,944	3,422,275	3,048,004	3,002,740	2,708,806	2,406,313	2,185,138
Student transportation	8,067,214 *	-	-	-	-	-	-	-	-	-
Retirement benefits	464,543	844,800	1,318,523	1,962,019	2,389,101	-	-	-	-	-
Unrestricted	<u>112,503,702</u>	<u>128,996,800</u>	<u>129,914,587</u>	<u>111,044,581</u>	<u>116,963,327</u>	<u>110,264,636</u>	<u>106,064,503</u>	<u>97,089,221</u>	<u>89,931,052</u>	<u>84,389,988</u>
<b>Total net position</b>	<u>\$ 199,992,680</u>	<u>\$ 203,825,986</u>	<u>\$ 204,643,610</u>	<u>\$ 181,756,319</u>	<u>\$ 182,120,310</u>	<u>\$ 175,111,064</u>	<u>\$ 167,046,173</u>	<u>\$ 156,621,149</u>	<u>\$ 146,431,936</u>	<u>\$ 137,871,713</u>

\* Operations and maintenance and student transportation funds were not designated as restricted prior to the year ended June 30, 2014.

**Community Consolidated School District 59**  
 CHANGES IN NET POSITION  
 LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
<b>Expenses</b>										
Governmental activities:										
Instruction										
Regular Programs <sup>a, e</sup>	\$ 35,244,296	\$ 31,135,330	\$ 29,931,859	\$ 31,791,528	\$ 29,691,214	\$ 26,753,399	\$ 26,259,087	\$ 25,532,859	\$ 25,390,637	\$ 26,256,167
Special Education Programs	10,980,062	7,730,988	7,230,195	7,275,285	7,219,361	6,245,973	5,812,435	5,711,151	5,325,135	5,032,011
Other Instructional Programs <sup>b</sup>	10,122,805	10,409,386	9,528,164	9,732,226	10,039,540	8,640,830	7,655,317	6,908,496	6,297,002	5,900,015
State retirement contributions <sup>c</sup>	17,259,924	13,298,931	11,593,232	10,684,396	10,399,062	7,284,030	4,945,955	3,689,619	2,501,338	4,059,697
Support Services										
Pupils	5,584,877	5,063,173	4,988,735	4,627,169	4,596,881	4,261,415	3,865,893	3,637,060	3,428,564	3,146,608
Instructional Staff	4,994,377	4,754,920	4,572,462	4,799,775	4,599,131	4,390,893	4,283,129	4,038,965	3,673,204	3,713,539
Support Services - General Administration	2,654,743	2,766,607	2,551,409	2,244,743	2,360,231	2,160,274	2,153,701	1,693,919	1,682,559	1,552,447
Support Services - School Administration	5,663,503	5,545,972	5,099,142	5,196,273	5,120,037	4,772,006	4,523,279	4,341,014	4,066,304	3,925,445
Business <sup>d, e</sup>	5,772,738	4,014,008	4,037,968	3,896,934	3,722,220	2,850,355	2,764,464	3,943,474	2,003,411	2,727,262
Facilities Acquisition and Construction <sup>e</sup>	-	797,140	5,426,819	77,630	247,866	244,705	29,278	1,336,197	3,438,048	1,982,653
Operation and Maintenance	11,324,351	10,538,008	5,770,004	11,117,740	10,733,707	10,289,991	9,977,471	8,322,490	7,352,038	6,173,235
Pupil Transportation Services	5,133,424	4,867,638	4,585,561	5,630,609	5,110,266	4,728,912	4,708,439	4,214,697	4,318,019	4,105,254
Central	2,232,673	2,317,703	2,141,281	2,303,772	2,163,798	2,674,675	2,336,647	2,430,548	2,371,225	1,733,543
Other supporting services <sup>f</sup>	246,885	-	-	-	-	-	-	-	-	-
Community services	161,786	156,080	162,208	134,313	181,528	134,158	188,698	162,689	118,713	78,779
Payments to other governmental units <sup>g</sup>	-	4,314,496	4,434,321	3,990,219	3,573,168	3,013,646	2,662,205	2,254,261	1,975,314	2,592,262
Nonprogrammed charges - excluding special education <sup>h</sup>	2,170,658	-	-	-	-	-	-	-	-	-
Interest on long-term debt	469,292	633,367	815,770	966,562	1,073,375	1,059,171	1,160,948	1,565,407	1,661,003	1,808,144
Total government expenses	<u>\$ 120,016,394</u>	<u>\$ 108,343,747</u>	<u>\$ 102,869,130</u>	<u>\$ 104,469,174</u>	<u>\$ 100,831,385</u>	<u>\$ 89,504,433</u>	<u>\$ 83,326,946</u>	<u>\$ 79,782,846</u>	<u>\$ 75,602,514</u>	<u>\$ 74,787,061</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services										
Operating grants and contributions <sup>a</sup>	\$ 1,255,145	\$ 1,043,525	\$ 993,295	\$ 1,157,173	\$ 1,061,003	\$ 1,127,200	\$ 1,382,176	\$ 1,347,705	\$ 1,075,467	\$ 1,360,332
Operating grants and contributions <sup>a</sup>	27,934,584	23,191,959	20,801,435	22,229,839	21,527,652	17,253,293	13,432,201	11,536,171	9,728,212	10,924,636
Total government program revenues <sup>d</sup>	<u>\$ 29,189,729</u>	<u>\$ 24,235,484</u>	<u>\$ 21,794,730</u>	<u>\$ 23,387,012</u>	<u>\$ 22,588,655</u>	<u>\$ 18,380,493</u>	<u>\$ 14,814,377</u>	<u>\$ 12,883,876</u>	<u>\$ 10,803,679</u>	<u>\$ 12,284,968</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (90,826,665)</u>	<u>\$ (84,108,263)</u>	<u>\$ (81,074,400)</u>	<u>\$ (81,082,162)</u>	<u>\$ (78,242,730)</u>	<u>\$ (71,123,940)</u>	<u>\$ (68,512,569)</u>	<u>\$ (66,898,970)</u>	<u>\$ (64,798,835)</u>	<u>\$ (62,502,093)</u>
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental activities:										
Taxes <sup>b</sup>										
Property taxes levied for general purposes	\$ 59,865,317	\$ 73,518,112	\$ 93,873,533	\$ 70,579,004	\$ 75,242,779	\$ 68,127,537	\$ 65,456,909	\$ 64,324,268	\$ 61,390,041	\$ 62,137,186
Real estate taxes, levied for specific purposes	10,553,781	-	-	-	-	-	-	-	-	-
Real estate taxes, levied for debt service	3,478,612	-	-	-	-	-	-	-	-	-
Personal property replacement taxes	4,532,575	-	-	-	-	-	-	-	-	-
State aid-formula grants	6,177,081	-	-	-	-	-	-	-	-	-
Payments in lieu of taxes	-	4,480,589	4,385,210	4,766,892	3,675,835	4,543,723	5,194,188	4,857,231	4,452,034	3,349,025
Unrestricted grants and contributions	-	5,113,913	4,372,906	3,668,584	2,139,108	1,583,077	1,743,607	1,637,381	1,523,907	1,439,875
Miscellaneous	273,688	1,230,757	986,371	931,003	2,121,230	657,191	609,363	587,363	484,524	286,642
Investment earnings <sup>i</sup>	2,112,305	(987,176)	343,671	772,688	2,073,024	4,277,303	5,933,526	5,681,940	1,816,418	3,842,138
Total general revenues and other changes in net assets	<u>\$ 86,993,359</u>	<u>\$ 83,356,195</u>	<u>\$ 103,961,691</u>	<u>\$ 80,718,171</u>	<u>\$ 85,251,976</u>	<u>\$ 79,188,831</u>	<u>\$ 78,937,593</u>	<u>\$ 77,088,183</u>	<u>\$ 69,666,924</u>	<u>\$ 71,054,866</u>
<b>Change in Net Position</b>	<u>\$ (3,833,306)</u>	<u>\$ (752,068)</u>	<u>\$ 22,887,291</u>	<u>\$ (363,991)</u>	<u>\$ 7,009,246</u>	<u>\$ 8,064,891</u>	<u>\$ 10,425,024</u>	<u>\$ 10,189,213</u>	<u>\$ 4,868,089</u>	<u>\$ 8,552,773</u>

**Community Consolidated School District 59**  
CHANGES IN NET POSITION  
LAST TEN FISCAL YEARS

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<sup>a</sup> Variances due to student 1:1 device implementation in a rotation schedule.

<sup>b</sup> Fiscal year 2011 reflects a reduction in health insurance expenditures due to plan design changes and employee contribution increases.

<sup>c</sup> Expenditure fluctuations are due to rate variances which are set by the State of Illinois.

<sup>d</sup> In 2008, depreciation on District capital items was appropriately moved to Operations and Maintenance.

<sup>e</sup> In 2014, facilities acquisition and construction was moved to Business.

<sup>f</sup> In 2014, other supporting services was segregated from Central.

<sup>g</sup> In 2014, Payments to other government units, which included tuition for General Education and Special Education Students, moved to Special Programs and Nonprogrammed charges - excluding special education.

<sup>h</sup> In 2014, taxes were specifically reported by designation

<sup>i</sup> Reflects fluctuations of market value at June 30.

**Community Consolidated School District 59**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	Fiscal Year									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Fund										
Nonspendable	\$ 37,621	\$ 51,768	\$ 49,186	\$ 64,580	\$ 59,879	\$ 1,690,306	\$ 967,359	\$ 750,181	\$ 1,810,110	\$ 210,359
Restricted				-						
Assigned:										
Insurance	6,342,798	5,471,109	4,707,079	1,800,977	121,759	-	-	-	-	-
Unassigned	<u>105,843,916</u>	<u>115,671,279</u>	<u>115,459,306</u>	<u>101,327,220</u>	<u>82,511,449</u>	<u>78,603,260</u>	<u>76,522,884</u>	<u>71,103,491</u>	<u>64,102,516</u>	<u>60,998,360</u>
Total general fund	<u>\$ 112,224,335</u>	<u>\$ 121,194,156</u>	<u>\$ 120,215,571</u>	<u>\$ 103,192,777</u>	<u>\$ 82,693,087</u>	<u>\$ 80,293,566</u>	<u>\$ 77,490,243</u>	<u>\$ 71,853,672</u>	<u>\$ 65,912,626</u>	<u>\$ 61,208,719</u>
All Other Governmental Funds										
Restricted:										
Operations and maintenance	\$ 3,307,573	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transportation	5,771,278	-	-	-	-	-	-	-	-	-
Municipal retirement / social security	464,543	844,800	1,318,523	1,962,019	2,389,101	-	-	-	-	-
Debt service	3,273,941	3,269,979	4,699,567	3,325,403	3,711,296	3,311,096	3,313,928	3,050,789	2,783,085	2,590,260
Assigned:										
Transportation	-	5,857,928	5,264,771	3,267,563	3,570,447					
Construction	-	-	1,093,924	612,698	5,293,621	-	-	-	-	-
Unassigned	-	(419,664)	(478,508)	(972,534)	19,942,864	25,971,810	24,193,854	21,180,345	20,455,083	22,828,723
Total all other governmental funds	<u>\$ 12,817,335</u>	<u>\$ 9,553,043</u>	<u>\$ 11,898,277</u>	<u>\$ 8,195,149</u>	<u>\$ 34,907,329</u>	<u>\$ 29,282,906</u>	<u>\$ 27,507,782</u>	<u>\$ 24,231,134</u>	<u>\$ 23,238,168</u>	<u>\$ 25,418,983</u>
Grand total all fund balances	<u>\$ 125,041,670</u>	<u>\$ 130,747,199</u>	<u>\$ 132,113,848</u>	<u>\$ 111,387,926</u>	<u>\$ 117,600,416</u>	<u>\$ 109,576,472</u>	<u>\$ 104,998,025</u>	<u>\$ 96,084,806</u>	<u>\$ 89,150,794</u>	<u>\$ 86,627,702</u>

Note: District implemented GASB 54 beginning in fiscal 2011.

Note: Operations and maintenance was reclassified from the General fund to other governmental funds.

Note: During 2014, all funds were reclassified from assigned to restricted.

**Community Consolidated School District 59**  
 GOVERNMENTAL FUNDS REVENUES  
 LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Local sources										
Property taxes <sup>a</sup>	\$ 73,897,710	\$ 73,518,112	\$ 93,873,533	\$ 70,579,004	\$ 75,242,779	\$ 68,127,595	\$ 65,456,892	\$ 64,324,268	\$ 61,390,041	\$ 62,137,186
Replacement taxes	4,532,575	4,480,589	4,385,210	4,766,892	3,675,835	4,543,723	5,194,187	4,857,231	4,452,034	3,349,025
Interest <sup>b</sup>	2,151,921	(917,704)	285,221	828,240	2,073,024	4,277,534	5,886,757	5,681,940	1,816,418	3,924,033
Other	<u>1,589,833</u>	<u>2,213,282</u>	<u>1,990,124</u>	<u>2,099,676</u>	<u>3,486,542</u>	<u>1,799,540</u>	<u>2,009,770</u>	<u>1,933,432</u>	<u>1,567,495</u>	<u>1,646,974</u>
Total local sources	<u>82,172,039</u>	<u>79,294,279</u>	<u>100,534,088</u>	<u>78,273,812</u>	<u>84,478,180</u>	<u>78,748,392</u>	<u>78,547,606</u>	<u>76,796,871</u>	<u>69,225,988</u>	<u>71,057,218</u>
State sources:										
Unrestricted State Aid <sup>d</sup>	6,177,081	5,113,913	4,372,906	3,668,584	2,139,108	1,583,077	1,743,607	1,637,381	1,523,907	1,439,875
Restricted State Aid	4,929,908	5,868,676	5,511,459	5,828,808	4,088,516	5,784,276	5,557,964	4,957,482	4,600,853	4,159,600
TRS On-behalf payments	<u>17,259,924</u>	<u>13,298,931</u>	<u>11,593,232</u>	<u>10,684,396</u>	<u>10,399,062</u>	<u>7,284,030</u>	<u>4,945,955</u>	<u>3,689,619</u>	<u>2,501,338</u>	<u>4,059,697</u>
Total state sources	<u>28,366,913</u>	<u>24,281,520</u>	<u>21,477,597</u>	<u>20,181,788</u>	<u>16,626,686</u>	<u>14,651,383</u>	<u>12,247,526</u>	<u>10,284,482</u>	<u>8,626,098</u>	<u>9,659,172</u>
Federal sources:										
	<u>5,238,133</u>	<u>5,023,982</u>	<u>4,395,181</u>	<u>5,696,685</u>	<u>5,290,934</u>	<u>3,923,502</u>	<u>2,614,385</u>	<u>2,390,673</u>	<u>2,456,257</u>	<u>2,705,339</u>
Total revenues	<u>\$ 115,777,085</u>	<u>\$ 108,599,781</u>	<u>\$ 126,406,866</u>	<u>\$ 104,152,285</u>	<u>\$ 106,395,800</u>	<u>\$ 97,323,277</u>	<u>\$ 93,409,517</u>	<u>\$ 89,472,026</u>	<u>\$ 80,308,343</u>	<u>\$ 83,421,729</u>

Notes:

<sup>a</sup> 2005 marks the first year of tax collections for Series 2003 debt retirement. In FY10, Cook County started collecting 55% of the levy during the Spring collections instead of 45%. This added to the 55% for the fall collection

<sup>b</sup> Reflects fluctuation of market value as of June 30.

<sup>c</sup> Fiscal Years 2010 and 2011 Federal Aid include funds from the American Recovery and Reinvestment Act of 2009 (ARRA).

<sup>d</sup> In 2014, the district received a large increase in the State of Illinois Poverty Grant due to substantial growth in low income students.

**Community Consolidated School District 59**  
 GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO  
 LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Expenditures										
Current:										
Instruction:										
Regular Programs <sup>§</sup>	\$ 34,900,239	\$ 30,504,158	\$ 29,177,086	\$ 28,427,628	\$ 28,061,074	\$ 26,357,085	\$ 24,821,521	\$ 25,320,196	\$ 23,899,090	\$ 23,184,317
Special Programs <sup>f</sup>	8,866,239	7,696,246	7,100,745	7,174,696	7,168,263	6,246,221	5,745,381	5,628,062	5,214,696	5,236,763
Other Instructional Programs <sup>a</sup>	10,114,906	10,332,747	9,519,071	9,810,797	10,024,811	8,640,640	7,626,422	6,945,306	6,260,184	5,900,362
TRS On-behalf payments <sup>b</sup>	17,259,924	13,298,931	11,593,232	10,684,396	10,399,062	7,284,030	4,945,955	3,689,619	2,501,338	4,059,697
Pupils	5,583,750	5,049,079	4,955,686	4,606,823	4,576,374	4,244,616	3,769,804	3,613,310	3,354,745	3,139,796
Instructional Staff	4,987,351	4,699,030	4,505,276	4,700,845	4,555,578	4,341,338	4,081,727	4,039,869	3,567,066	3,705,882
General Administration	2,654,337	2,749,484	2,536,117	2,218,808	2,344,964	2,145,568	2,147,688	1,690,830	1,677,072	1,541,011
School Administration	5,661,338	5,487,396	5,085,454	5,133,226	5,106,947	4,748,386	4,500,734	4,316,086	4,001,691	3,923,408
Business <sup>c</sup>	5,546,575	16,073,884	15,703,937	16,745,481	16,175,201	15,204,488	14,995,850	14,384,014	13,765,290	12,918,421
Transportation <sup>c,e</sup>	5,129,383	-	-	-	-	-	-	-	-	-
Operations & Maintenance <sup>c</sup>	7,504,403	-	-	-	-	-	-	-	-	-
Central	2,156,039	2,139,624	1,979,082	2,119,796	2,253,733	2,036,674	1,765,380	1,764,200	1,768,345	1,723,237
Other supporting services <sup>d</sup>	246,885	-	-	-	-	-	-	-	-	-
Community services	161,786	155,132	157,560	132,626	180,501	134,142	188,698	162,689	118,713	78,776
Nonprogrammed charges <sup>f</sup>	4,271,200	-	-	-	-	-	-	-	-	-
Payments to other governmental units <sup>f</sup>	-	4,314,496	4,434,321	3,990,220	3,573,168	3,013,646	2,662,205	2,254,261	2,053,734	2,592,862
Debt service:										
Principal	3,210,000	4,705,000	4,510,000	4,350,000	4,210,000	4,080,000	3,970,000	3,944,944	3,898,545	3,830,535
Interest	289,538	516,353	712,940	870,328	872,335	917,226	1,026,400	1,143,195	1,231,597	1,302,307
Capital outlay	<u>2,938,721</u>	<u>2,244,870</u>	<u>3,710,437</u>	<u>9,399,105</u>	<u>6,667,114</u>	<u>3,350,770</u>	<u>2,248,533</u>	<u>3,641,433</u>	<u>5,100,486</u>	<u>4,190,501</u>
Total expenditures	<u>\$ 121,482,614</u>	<u>\$ 109,966,430</u>	<u>\$ 105,680,944</u>	<u>\$ 110,364,775</u>	<u>\$ 106,169,125</u>	<u>\$ 92,744,830</u>	<u>\$ 84,496,298</u>	<u>\$ 82,538,014</u>	<u>\$ 78,412,592</u>	<u>\$ 77,327,875</u>
Debt service as a percentage of noncapital expenditures	<u>3.0%</u>	<u>5.1%</u>	<u>5.4%</u>	<u>5.5%</u>	<u>5.4%</u>	<u>5.9%</u>	<u>6.5%</u>	<u>6.9%</u>	<u>7.5%</u>	<u>7.5%</u>
Debt service as a percentage of total expenditures	<u>2.9%</u>	<u>4.7%</u>	<u>4.9%</u>	<u>4.7%</u>	<u>4.8%</u>	<u>5.4%</u>	<u>5.9%</u>	<u>6.2%</u>	<u>6.5%</u>	<u>6.6%</u>

Notes:

<sup>a</sup> Reflects no growth in programming with a reduction in insurance benefit expenditures.

<sup>b</sup> TRS On-behalf payment rate is set by the State of Illinois.

<sup>c</sup> In 2014, transportation and operations and maintenance were segregated from business.

<sup>d</sup> In 2014, other supporting services was segregated from central.

<sup>e</sup> District bid transportation services for FY12 and realized significant savings from the prior transportation provider.

<sup>f</sup> In 2014, payments to other governmental units which included tuition for general education and special education students, moved to special programs and nonprogrammed charges.

<sup>§</sup> Variances due to student 1:1 device implementations in a rotation schedule.



**Community Consolidated School District 59**  
 COMBINED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 LAST TEN YEARS  
 (modified accrual basis of accounting)

	General	O&M, Trans & IMRF/Soc Sec	Debt Service	Capital Projects	Total
Beginning Balance July 1, 2004	\$ 60,847,205	\$ 19,686,643	\$ -	\$ -	\$ 80,533,848
Revenues	63,082,561	12,749,703	7,589,465	-	83,421,729
Expenditures	57,915,055	14,413,615	4,999,205	-	77,327,875
Transfers	(1,217,878)	1,217,878	-	-	-
Other	-	-	-	-	-
Ending Balance June 30, 2005	\$ 64,796,833	\$ 19,240,609	\$ 2,590,260	\$ -	\$ 86,627,702
Beginning Balance July 1, 2005	\$ 64,796,833	\$ 19,240,609	\$ 2,590,260	\$ -	\$ 86,627,702
Revenues	62,618,768	12,410,785	5,278,790	-	80,308,343
Expenditures	56,914,196	16,502,431	4,995,965	-	78,412,592
Transfers	(2,642,553)	2,732,553	(90,000)	-	-
Other	627,341	-	-	-	627,341
Ending Balance June 30, 2006	\$ 68,486,193	\$ 17,881,516	\$ 2,783,085	\$ -	\$ 89,150,794
Beginning Balance July 1, 2006	\$ 68,486,193	\$ 17,881,516	\$ 2,783,085	\$ -	\$ 89,150,794
Revenues	71,021,212	13,058,751	5,392,063	-	89,472,026
Expenditures	62,162,076	15,380,023	4,995,915	-	82,538,014
Transfers	(547,233)	675,677	(128,444)	-	-
Other	-	-	-	-	-
Ending Balance June 30, 2007	\$ 76,798,096	\$ 16,235,921	\$ 3,050,789	\$ -	\$ 96,084,806
Beginning Balance July 1, 2007	\$ 76,798,096	\$ 16,235,921	\$ 3,050,789	\$ -	\$ 96,084,806
Revenues	72,900,679	15,254,896	5,253,942	-	93,409,517
Expenditures	65,123,661	14,376,237	4,996,400	-	84,496,298
Transfers	-	-	-	-	-
Other	-	-	-	-	-
Ending Balance June 30, 2008	\$ 84,575,114	\$ 17,114,580	\$ 3,308,331	\$ -	\$ 104,998,025
Beginning Balance July 1, 2008	\$ 84,575,114	\$ 17,114,580	\$ 3,308,331	\$ -	\$ 104,998,025
Revenues	77,083,887	14,973,918	5,265,472	-	97,323,277
Expenditures	72,898,314	14,849,290	4,997,226	-	92,744,830
Transfers	265,481	-	(265,481)	-	-
Other	-	-	-	-	-
Ending Balance June 30, 2009	\$ 89,026,168	\$ 17,239,208	\$ 3,311,096	\$ -	\$ 109,576,472
Beginning Balance July 1, 2009	\$ 89,026,168	\$ 17,239,208	\$ 3,311,096	\$ -	\$ 109,576,472
Revenues	87,844,345	12,992,769	5,558,686	-	106,395,800
Expenditures	82,114,721	16,565,690	5,082,335	2,406,379	106,169,125
Transfers	173,420	-	(76,151)	7,700,000	7,797,269
Other	-	-	-	-	-
Ending Balance June 30, 2010	\$ 94,929,212	\$ 13,666,287	\$ 3,711,296	\$ 5,293,621	\$ 117,600,416
Beginning Balance July 1, 2010	\$ 94,929,212	\$ 13,666,287	\$ 3,711,296	\$ 5,293,621	\$ 117,600,416
Revenues	84,987,134	13,123,549	4,895,117	-	104,152,285
Expenditures	84,054,051	15,262,988	5,220,328	5,827,408	110,364,775
Transfers	60,682	-	(60,682)	-	-
Other	-	-	-	-	-
Ending Balance June 30, 2011	\$ 95,922,977	\$ 11,526,848	\$ 3,325,403	\$ 612,698	\$ 111,387,926
Beginning Balance July 1, 2011	\$ 95,922,977	\$ 11,526,848	\$ 3,325,403	\$ 612,698	\$ 111,387,926
Revenues	103,664,666	16,136,277	6,605,923	-	126,406,866
Expenditures	83,206,553	14,657,397	5,222,940	2,594,054	105,680,944
Transfers	(2,002,699)	(1,063,762)	(8,819)	3,075,280	-
Other	-	-	-	-	-
Ending Balance June 30, 2012	\$ 114,378,391	\$ 11,941,966	\$ 4,699,567	\$ 1,093,924	\$ 132,113,848
Beginning Balance July 1, 2012	\$ 114,378,391	\$ 11,941,966	\$ 4,699,567	\$ 1,093,924	\$ 132,113,848
Revenues	88,842,315	15,942,280	3,815,186	-	108,599,781
Expenditures	88,605,497	15,051,463	5,221,353	1,088,117	109,966,430
Transfers	23,421	5,807	(23,421)	(5,807)	-
Other	-	-	-	-	-
Ending Balance June 30, 2013	\$ 114,638,630	\$ 12,838,590	\$ 3,269,979	\$ -	\$ 130,747,199
Beginning Balance July 1, 2013	\$ 114,638,630	\$ 12,838,590	\$ 3,269,979	\$ -	\$ 130,747,199
Revenues	96,224,219	16,016,738	3,536,128	-	115,777,085
Expenditures	98,671,142	19,311,934	3,499,538	-	121,482,614
Transfers	32,628	-	(32,628)	-	-
Other	-	-	-	-	-
Ending Balance June 30, 2014	\$ 112,224,335	\$ 9,543,394	\$ 3,273,941	\$ -	\$ 125,041,670
Beginning Balance July 1, 2014*	\$ 112,224,335	\$ 9,543,394	\$ 3,273,941	\$ -	\$ 125,041,670
Revenues	110,266,239	8,475,297	2,662,367	-	121,403,903
Expenditures	93,297,394	8,611,364	3,501,591	16,024,915	121,435,264
Transfers	67,364	-	(67,364)	-	-
Other	-	-	-	-	-
Estimated Ending Balance June 30, 2015	\$ 129,260,544	\$ 9,407,327	\$ 2,367,353	\$ (16,024,915)	\$ 125,010,309

\* FY2015 figures represent budget numbers.

**Community Consolidated School District 59**  
 COMPOSITION OF EQUALIZED ASSESSED VALUATION  
 BY CLASSIFICATION OF PROPERTY  
 LAST TEN YEARS

	2004		2005		2006		2007		2008		2009		2010		2011		2012		2013	
Residential	\$ 902,647,902	28.9%	\$ 971,885,256	29.3%	\$ 1,003,595,262	30.4%	\$ 1,194,724,558	31.2%	\$ 1,290,588,959	32.6%	1,382,880,612	37.3%	1,285,645,078	37.0%	1,199,098,243	38.7%	1,100,428,136	38.9%	882,763,897	36.3%
Farm	30,048	0.0%	30,048	0.0%	30,048	0.0%	30,048	0.0%	30,048	0.0%	18,778	0.0%	16,909	0.0%	16,909	0.0%	16,909	0.0%	17,336	0.0%
Commercial	831,329,326	26.6%	863,731,913	26.1%	839,470,168	25.4%	964,799,778	25.2%	965,966,345	24.4%	850,205,280	23.0%	766,268,576	22.1%	651,236,616	21.0%	596,141,024	21.1%	553,906,337	22.8%
Industrial	1,389,619,006	44.5%	1,475,139,272	44.5%	1,454,763,950	44.1%	1,665,916,438	43.5%	1,697,671,364	42.9%	1,470,303,063	39.7%	1,420,635,772	40.9%	1,247,290,075	40.2%	1,133,367,153	40.0%	993,025,306	40.8%
Railroad	844,717	0.0%	780,660	0.0%	774,706	0.0%	836,711	0.0%	942,852	0.0%	1,139,193	0.0%	1,460,448	0.0%	1,576,817	0.1%	1,730,380	0.1%	2,148,504	0.1%
<b>Total</b>	<b>\$ 3,124,470,999</b>	<b>100.0%</b>	<b>\$ 3,311,567,149</b>	<b>100.0%</b>	<b>\$ 3,298,634,134</b>	<b>100.0%</b>	<b>\$ 3,826,307,533</b>	<b>100.0%</b>	<b>\$ 3,955,199,568</b>	<b>100.0%</b>	<b>\$ 3,704,546,926</b>	<b>100.0%</b>	<b>\$ 3,474,026,783</b>	<b>100.0%</b>	<b>\$ 3,099,218,660</b>	<b>100.0%</b>	<b>\$ 2,831,683,602</b>	<b>100.0%</b>	<b>\$ 2,431,861,380</b>	<b>100.0%</b>

The table below shows the effect of the multiplier and exemptions in tax years 2004 through 2013.

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Assessed Value	\$ 8,708,163,844	\$ 9,759,912,058	\$ 9,531,735,909	\$ 10,881,635,993	\$ 11,780,957,433	\$ 12,484,693,595	\$ 11,464,288,384	\$ 9,206,538,951	\$ 7,944,571,514	\$ 6,870,230,758
Equalization factor	2.5757	2.7320	2.7076	2.8439	2.9786	3.3701	3.3000	2.9706	2.8056	2.6621
Pre-exemption EAV	\$ 3,380,892,124	\$ 3,572,442,188	\$ 3,520,363,388	\$ 3,826,307,533	\$ 3,955,199,568	\$ 3,704,546,926	\$ 3,474,026,783	\$ 3,099,218,660	\$ 2,831,683,602	\$ 2,580,756,079
Homeowners Exemption Senior Citizen	198,007,328	199,369,339	160,943,488	362,437,351	322,389,698	278,519,605	168,205,695	94,275,450	104,902,446	104,590,649
Homestead Exemption Veterans	12,993,000	13,012,668	15,001,000	15,791,751	18,542,829	18,346,823	16,650,430	17,130,727	23,220,878	22,443,625
Exemption Senior Tax Freeze				39,698	39,698	36,920	32,551	-	-	-
Exemption Returning Veterans	45,420,797	48,493,031	45,784,766	76,349,253	85,380,704	92,482,733	71,852,688	52,056,343	44,162,998	21,392,717
Persons Veterans	-	-	-	-	-	15,000	10,000	-	-	5,000
Persons Veterans				62,000	136,000	224,000	268,000	302,000	373,857	397,708
Persons Veterans				17,500	10,000	17,500	40,000	52,500	57,500	65,000
<b>Total</b>	<b>\$ 3,124,470,999</b>	<b>\$ 3,311,567,150</b>	<b>\$ 3,298,634,134</b>	<b>\$ 3,371,609,980</b>	<b>\$ 3,528,700,639</b>	<b>\$ 3,314,904,345</b>	<b>\$ 3,216,967,419</b>	<b>\$ 2,935,401,640</b>	<b>\$ 2,658,965,923</b>	<b>\$ 2,431,861,380</b>

SOURCE OF INFORMATION: Office of the County Clerk, Cook County, IL.

**Community Consolidated School District 59**  
 SCHOOL DISTRICT TAX RATES BY PURPOSE AND LEVIES EXTENDED  
 LAST TEN YEARS

	effective for the													
	1996-2004	2005 levy **	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004		
<b>Rates Extended*</b>														
Educational	\$ 1.7100	\$ 3.5000	\$ 2.5289	\$ 2.1436	\$ 1.9295	\$ 1.6695	\$ 1.5454	\$ 1.4159	\$ 1.3982	\$ 1.5855	\$ 1.5099	\$ 1.5363		
Special Education	0.0200	0.4000	0.0370	0.0318	0.0258	0.0230	0.0216	0.0202	0.0209	0.0188	0.0187	0.0165		
Liability Insurance	None	None	-	-	-	-	-	-	0.0065	0.0076	0.0075	0.0080		
Operations and Maintenance	0.2500	0.5500	0.2538	0.1916	0.1409	0.1297	0.1164	0.1243	0.1126	0.0978	0.1071	0.0761		
Transportation	0.1200	None	0.1316	0.1236	0.1049	0.1151	0.0675	0.0632	0.0653	0.0909	0.0921	0.0976		
Working Cash	0.0500	0.0500	-	-	-	-	0.0142	0.0133	0.0137	0.0227	0.0211	0.0304		
Social Security	None	None	0.0358	0.0288	0.0516	0.0403	0.0189	0.0202	0.0183	0.0152	0.0091	0.0192		
Illinois Municipal Retirement	None	None	0.0339	0.0238	-	-	0.0189	0.0202	0.0183	0.0152	0.0091	0.0192		
Limited Bonds			0.1510	0.1296	0.1693	0.1511	0.1416	0.1327	0.1371	0.1590	0.1584	0.1679		
<b>Total</b>	<b>\$ 2.1500</b>	<b>\$ 4.5000</b>	<b>\$ 3.1720</b>	<b>\$ 2.6728</b>	<b>\$ 2.4220</b>	<b>\$ 2.1287</b>	<b>\$ 1.9445</b>	<b>\$ 1.8100</b>	<b>\$ 1.7909</b>	<b>\$ 2.0127</b>	<b>\$ 1.9330</b>	<b>\$ 1.9712</b>		

**Levies Extended**

Total Levies Extended	\$ 77,138,643	\$ 75,690,903	\$ 75,063,073	\$ 73,962,030	\$ 72,053,437	\$ 71,589,112	\$ 68,529,168	\$ 66,401,505	\$ 64,012,593	\$ 61,614,568
Total Collections	\$ 61,006,637	\$ 60,156,724	\$ 73,217,332	\$ 73,113,327	\$ 73,642,597	\$ 70,182,992	\$ 67,356,299	\$ 65,194,192	\$ 62,261,182	\$ 59,715,142
Percentage of Extensions Collected	79.09%	79.48%	97.54%	98.85%	102.21%	98.04%	98.29%	98.18%	97.26%	96.92%

SOURCE OF INFORMATION: Cook County Levy, Rate and Extension Reports for 2004 - 2013

\* Tax Rates are expressed in dollars per \$100 of Assessed Valuation

**Community Consolidated School District 59**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING TAX RATES**  
**LAST FIVE TAX LEVY YEARS**

<u>Taxing Agency</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Direct Rates:					
Community Consolidated SD #59	3.172	2.673	2.422	2.129	1.945
Overlapping Rates:					
County of Cook	0.56	0.531	0.462	0.423	0.394
Cook County Forest Preserve District	0.069	0.063	0.058	0.051	0.049
Cook TB Sanitorium	-	-	-	-	-
Consolidated Elections	0.031	-	0.025	-	0.021
Elk Grove Township	0.077	0.064	0.056	0.049	0.044
Elk GroveTwp General Assistance	0.017	0.014	0.012	0.011	0.01
Elk Grove Twp Road & Bridge	0.017	0.014	0.013	0.011	0.01
Metro Water Reclamation District of Chicago	0.417	0.370	0.320	0.274	0.261
Northwest Mosquito Abatement Dist.	0.013	0.011	0.010	0.009	0.008
Village of Arlington Heights**	1.818	1.532	1.385	1.254	1.108
City of Des Plaines**	1.776	1.483	1.389	1.279	1.174
Des Plaines Spec. Serv. Area 5	0.727	0.596	0.581	0.522	0.489
Des Plaines Spec. Serv. Area 9	0.425	0.388	0.366	0.330	0.334
Des Plaines Spec. Serv. Area 10	0.361	0.384	0.791	0.303	0.349
Des Plaines Spec. Serv. Area 13	0.664	0.501	0.434	-	-
Village of Mount Prospect**	2.036	1.697	1.518	1.348	1.204
Mount Prospect Spec. Serv. Area 5	0.140	0.122	0.114	0.105	0.095
City of Rolling Meadows**	2.241	1.917	1.706	1.417	1.158
Rolling Meadows Spec. Serv. Area 3	0.268	0.253	0.233	0.207	0.176
Village of Elk Grove Village**	1.306	1.147	1.015	0.866	0.749
Rolling Meadows Park District	0.709	0.607	0.546	0.486	0.42
Arlington Heights Park District	0.633	0.545	0.496	0.450	0.392
Mount Prospect Park District	0.657	0.557	0.502	0.453	0.411
Elk Grove Park District	0.805	0.711	0.634	0.563	0.524
Elk Grove Rural Fire Protection - Bond	1.296	1.096	1.121	1.055	1.032
Forest View Fire Protection District	0.042	0.033	0.139	0.146	0.159
Roselle Fire Protection District	0.660	0.559	0.546	0.546	0.493
Arlington Heights HSD #214	2.768	2.324	2.067	1.839	1.636
Harper Community College #512	0.444	0.373	0.334	0.295	0.258

\*Tax rates are expressed in dollars per one hundred dollars of equalized assessed valuations.

\*\*Rates of municipalities include library funds.

SOURCE OF INFORMATION: Cook County Clerk

**Community Consolidated School District 59**  
**OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Governmental Activities</b>			<b>Total Primary Government</b>	<b>Percentage of Personal Income<sup>a</sup></b>	<b>Per Capita<sup>a</sup></b>
	<b>State Tech Loans</b>	<b>General Obligation Bonds</b>	<b>Capital Leases</b>			
2014	\$ -	\$ 5,540,000	\$ -	\$ 5,540,000	0.49%	166
2013	-	8,750,000	-	8,750,000	0.84%	263
2012	-	13,455,000	-	13,455,000	1.24%	404
2011	-	17,965,000	-	17,965,000	1.67%	542
2010	-	22,315,000	-	22,315,000	2.02%	674
2009	-	19,100,000	-	19,100,000	1.76%	578
2008	-	23,180,000	-	23,180,000	2.15%	700
2007	-	27,150,000	-	27,150,000	2.87%	818
2006	-	31,015,000	106,317	31,121,317	3.24%	924
2005	77,238	34,795,000	216,827	35,089,065	3.63%	1,036
2004	323,374	38,515,000	327,362	39,165,736	4.01%	1,142

<sup>a</sup> See page 105 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**Community Consolidated School District 59**  
 DIRECT GENERAL OBLIGATION BONDED DEBT

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<b>Principal Due (Mar 1)</b>	<b>Series 2009 Bonds</b>
2015	\$ 3,335,000
2016	2,205,000
	<hr/>
	<u>\$ 5,540,000</u>

**Community Consolidated School District 59**  
 TAX LEVIES FOR DIRECT BONDED DEBT

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<b>Tax Year</b>	<b>Series 2009 Debt Service</b>
2015	\$ 3,498,326
2016	2,141,724
	<hr/>
	<u>\$ 5,640,050</u>

SOURCE OF INFORMATION: Debt Retirement Schedule for Community Consolidated School District Number 59 General Obligation Limited Tax School Bonds, Series 2003 and 2009

**Community Consolidated School District 59**  
**SCHEDULE OF BONDS OUTSTANDING**

<b>Fiscal Year</b>	<b>Bond Rate</b>	<b>Bonds Issued</b>	<b>Bonds Paid/ Refunded</b>	<b>Bonds Payable From Tax Levies</b>	<b>Interest Payable</b>
<i>Issue Dated October 20, 2009 Series</i>					
2015	3.000%	\$ 3,335,000	\$ -	\$ 3,335,000	\$ 163,326
2016	2.500%	2,205,000	-	2,205,000	63,276
		<u>\$ 5,540,000</u>	<u>\$ -</u>	<u>\$ 5,540,000</u>	<u>\$ 226,602</u>

SOURCE OF INFORMATION: Official Statement for Community Consolidated School District Number 59 General Obligation Limited Tax School Bonds, Series 2003 and 2009

**Community Consolidated School District 59**  
SECURITY FOR DIRECT GENERAL OBLIGATION BONDS

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<b>Levy Year</b>	<b>Outstanding Debt Service</b>	<b>Plus: Debt Service On The 2003 Limited Bonds</b>	<b>Plus: Debt Service On The 2009 Limited Bonds</b>	<b>Total Debt Service</b>	<b>Debt Service Fund Balance</b>	<b>Aggregate Debt Service Extension Base</b>	<b>Coverage</b>
2013	-	1,391,250	2,104,876	3,496,126	-	5,000,000	1.43
2014	-	-	3,498,326	3,498,326	-	5,000,000	1.43
2015	-	-	2,268,276	2,268,276	-	5,000,000	2.20

SOURCE OF INFORMATION: Official Statement for Community Consolidated School District Number 59 General Obligation Limited Tax School Bonds, Series 2003 and 2009



**Community Consolidated School District 59**  
 LEGAL DEBT MARGIN AND IMPACT OF OVERLAPPING DEBT  
 LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Population	33,419	33,350	33,272	33,161	33,124	33,019	33,092	33,208	33,694	33,876
Estimated Full Market Value of Taxable Property	\$ 7,742,268,237	\$ 9,013,203,843	\$ 10,422,080,349	\$ 11,113,640,778	\$ 11,865,598,704	\$ 11,478,922,599	\$ 10,561,090,164	\$ 10,717,326,564	\$ 10,717,326,564	\$ 10,142,676,372
Equalized Assessed valuation (EAV)	2,431,861,380	2,831,683,602	3,099,218,660	3,474,026,783	3,704,546,926	3,955,199,568	3,826,307,533	3,298,634,134	3,332,134,179	3,311,567,149
Statutory debt limitation (6.9% of EAV)	167,798,435	195,386,169	213,846,088	239,707,848	255,613,738	272,908,770	264,015,220	227,605,755	229,917,258	228,498,133
Bonded Debt June 30	<u>5,540,000</u>	<u>8,750,000</u>	<u>13,455,000</u>	<u>17,965,000</u>	<u>22,315,000</u>	<u>26,525,000</u>	<u>30,605,000</u>	<u>34,575,000</u>	<u>38,440,000</u>	<u>42,220,000</u>
Legal bonded debt margin	<u>\$ 162,258,435</u>	<u>\$ 186,636,169</u>	<u>\$ 200,391,088</u>	<u>\$ 221,742,848</u>	<u>\$ 233,298,738</u>	<u>\$ 246,383,770</u>	<u>\$ 233,410,220</u>	<u>\$ 193,030,755</u>	<u>\$ 191,477,258</u>	<u>\$ 186,278,133</u>
<b>Total net debt:</b>										
as a percentage of Debt Limit	3.30%	4.48%	6.29%	7.49%	8.73%	9.72%	11.59%	15.19%	16.72%	18.48%
as a percentage of Full Mkt Value	0.07%	0.10%	0.13%	0.16%	0.19%	0.23%	0.29%	0.32%	0.36%	0.42%
as a percentage of EAV	0.23%	0.31%	0.43%	0.52%	0.60%	0.67%	0.80%	1.05%	1.15%	1.27%
per capita \$	\$ 165.77	\$ 262.37	\$ 404.39	\$ 541.75	\$ 673.68	\$ 803.33	\$ 924.85	\$ 1,041.16	\$ 1,140.86	\$ 1,246.31
<b>General Obligation Bonded Debt:</b>										
District	\$ 5,540,000	\$ 8,750,000	\$ 13,455,000	\$ 17,965,000	\$ 22,315,000	\$ 19,100,000	\$ 30,605,000	\$ 34,575,000	\$ 38,440,000	\$ 42,220,000
Overlapping	<u>260,079,413</u>	<u>275,682,525</u>	<u>244,096,005</u>	<u>233,403,605</u>	<u>256,084,529</u>	<u>216,921,208</u>	<u>203,493,128</u>	<u>184,247,563</u>	<u>185,359,069</u>	<u>195,641,434</u>
Total District and Overlapping	\$ 265,619,413	\$ 284,432,525	\$ 257,551,005	\$ 251,368,602	\$ 278,399,529	\$ 236,021,208	\$ 234,098,128	\$ 218,822,563	\$ 223,799,069	\$ 237,861,434
as a percentage of Full Mkt Value	3.43%	3.16%	2.47%	2.26%	2.35%	2.06%	2.22%	2.04%	2.09%	2.35%
as a percentage of EAV	10.92%	10.04%	8.31%	7.24%	7.52%	5.97%	6.12%	6.63%	6.72%	7.18%
per capita \$	\$ 7,948.16	\$ 8,528.71	\$ 7,740.77	\$ 7,580.25	\$ 8,404.77	\$ 7,148.04	\$ 7,074.16	\$ 6,589.45	\$ 6,642.10	\$ 7,021.53

(1) SOURCE OF INFORMATION: Direct and Overlapping General Obligation Bonded Debt (Schedule 15) and Office of the County Clerk, Cook County, IL

Note: Statutory Debt limitation is established by the Illinois General Assembly and promulgated by the Illinois Compiled Statutes.

**Community Consolidated School District 59**  
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
JUNE 30, 2014

<u>Taxing District</u>	<u>Outstanding Bonds</u>	<u>Applicable to District</u>	
		<u>Percent</u>	<u>Amount</u>
Community Consolidated School Dist. 59	\$5,540,000	100.000%	\$5,540,000
<u>Overlapping Districts:</u>			
Cook County	3,572,060,000	1.935%	69,119,361
Cook County Forest Preserve	124,455,000 (3)	1.935%	2,408,204
Metropolitan Water Reclamation District	2,458,515,565 (1)	1.974%	48,531,097
<u>Municipalities:</u>			
Village of Arlington Heights	37,615,000 (2)	13.332%	5,014,832
City of Des Plaines	725,000 (2)	16.110%	116,798
Village of Elk Grove Village	82,400,000	76.293%	62,865,432
Village of Mount Prospect	50,510,000	25.951%	13,107,850
City of Rolling Meadows	15,245,000 (2)	7.602%	1,158,925
<u>Park Districts:</u>			
Arlington Heights Park District	17,140,000 (3)	14.551%	2,494,041
Elk Grove Park District	12,805,000	83.400%	10,679,370
Mt. Prospect Park District	7,080,000 (3)	56.916%	4,029,653
Rolling Meadows Park District	3,145,000 (3)	9.619%	302,518
<u>School Districts:</u>			
Township High School 214	44,695,000 (4)	32.756%	14,640,294
Harper Community College 512	175,310,000	14.609%	25,611,038
Total Direct and Overlapping General Obligation Bonded Debt			\$265,619,413

- (1) Includes Illinois Environmental Protection Agency Revolving Loan Fund Bonds
- (2) Excludes self-supporting bonds
- (3) Excludes outstanding principal amounts of General Obligation (Alternate Revenue Source) Bonds which are expected to be paid from sources other than general taxation
- (4) Excludes outstanding Debt Certificates

Source: Offices of the Cook County Clerk, Comptroller and Treasurer of the Metropolitan Water Reclamation District

**Community Consolidated School District 59**  
**PRINCIPAL PROPERTY TAXPAYERS IN THE DISTRICT**  
**CURRENT TAX LEVY YEAR AND NINE YEARS AGO**

Taxpayer	2013 Equalized Assessed Valuation	Percentage of Total 2013 Equalized Assessed Valuation
Crane & Norcross	\$ 47,263,589	1.94%
WSC ASPCT Holding SVII	26,693,534	1.10%
MLRP & Wille Road LLC	21,618,092	0.89%
Draper & Kramer RIC	19,772,199	0.81%
Tarantula Ventures LLC	19,233,145	0.79%
Arthur J. Rogers & Co.	17,079,924	0.70%
Golf Plaza I & II	13,485,709	0.55%
Home Properties Colony & Home Properties of New York	12,986,943	0.53%
25 Northwest PNT BVD 400	12,414,935	0.51%
Tanglewood Apts	<u>11,649,033</u>	<u>0.48%</u>
Total	<u>\$ 202,197,103</u>	<u>8.30%</u>

Taxpayer	2004 Equalized Assessed Valuation	Percentage of Total 2004 Equalized Assessed Valuation
Continental Towers	\$ 41,354,949	0.57%
Trammel Crow Co.	32,641,557	0.45%
United Airlines	31,979,331	0.44%
Crane & Norcross	26,834,860	0.37%
Home Properties Colony	25,166,400	0.35%
Marvin F Poer & Co.	24,555,039	0.34%
Hamilton Partners	22,777,505	0.32%
Washington Capital	20,615,790	0.29%
Draper & Krammer	18,170,078	0.25%
BBKI Northwest PT	<u>17,704,135</u>	<u>0.25%</u>
Total	<u>\$ 261,799,644</u>	<u>3.63%</u>

Source of information: Cook County Clerk's and Assessor's Office

**Community Consolidated School District 59**  
**PRINCIPAL EMPLOYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

2014		
Employer	Employees	Percentage of Total Employment
Northwest Community Healthcare	4,000	12.26%
Alexian Bros. Medical Center	3,100	9.50%
Northrop Grumman Corp.	2,350	7.20%
Township High School District 214	1,622	4.97%
Automatic Data Processing	1,500	4.60%
Swissport USA, Inc.	1,500	4.60%
UOP, LLC	1,300	3.98%
Holy Family Medical Center	1,036	3.17%
Wesley-Jessen Corp.	1,000	3.06%
Wirtz Beverage Illinois, LLC	1,000	3.06%
Oakton Community College	<u>990</u>	<u>3.03%</u>
	<u><u>19,398</u></u>	<u><u>59.43%</u></u>

2005		
Employer	Employees	Percentage of Total Employment
United Airlines	3,732	3.73%
Northwest Community Hospital	3,300	3.30%
Motorola	3,000	3.00%
3Com Corp	2,600	2.60%
Northrop Grumman Corp	2,600	2.60%
Alexian Bros. Medical Center	2,500	2.50%
UOP, LLC	2,000	2.00%
Field Container Co.	1,750	1.75%
Township High School Distric 214	1,600	1.60%
Siemens Building Technologies	<u>1,500</u>	<u>1.50%</u>
	<u><u>24,582</u></u>	<u><u>24.58%</u></u>

Source of information: 2014 Illinois Manufacturers' Directory, 2014 Illinois Service Directory, 2014 Harris Illinois Industrial Directory, Phone canvass

**Community Consolidated School District 59**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN CALENDAR YEARS**

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<b>Calendar Year</b>	<b><u>Population</u></b>	<b><u>Total Personal Income</u></b>	<b><u>Income Per Capita</u></b>	<b><u>Unemployment Rate</u></b>
2013	33,419	\$ 1,130,230,580	33,820	7.4%
2012	33,350	1,046,756,450	31,387	7.4%
2011	33,272	1,043,680,524	32,527	7.8%
2010	33,161	1,078,627,847	32,527	8.5%
2009	33,124	1,104,354,160	33,340	8.7%
2008	33,019	1,086,853,404	32,916	4.8%
2007	33,092	1,077,806,440	32,570	4.0%
2006	33,208	946,926,120	28,515	4.5%
2005	33,694	960,784,410	28,515	5.5%
2004	33,876	965,974,140	28,515	5.7%

SOURCE OF INFORMATION: Village of Elk Grove Village, IL CAFR

## Community Consolidated School District 59

### OPERATING STATISTICS LAST TEN FISCAL YEARS

<b>Fiscal Year</b>	<b>Average Daily Attendance (1)</b>	<b>Operating Cost (2)</b>	<b>Operating Cost per Pupil</b>	<b>Percentage Change</b>	<b>Allowable Tuition Costs (2)</b>	<b>Tuition Charge per Pupil</b>	<b>Percentage Change</b>	<b>Teacher FTE (3) *</b>	<b>Pupil-Teacher Ratio (3) *</b>	<b>Low Income Rate (3) *</b>
2005	5,642	62,016,126	10,992	5.64%	59,481,947	10,543	4.69%	403.0	17.5	28.85%
2006	5,458	63,998,992	11,726	6.68%	60,763,926	11,133	5.60%	423.0	16.2	32.63%
2007	5,467	68,067,803	12,451	6.18%	64,974,026	11,885	6.75%	423.0	15.7	33.33%
2008	5,481	69,636,409	12,705	2.04%	64,796,288	11,822	-0.53%	443.0	14.9	36.20%
2009	5,474	74,529,309	13,615	7.16%	68,586,632	12,530	5.98%	453.0	14.4	39.90%
2010	5,630	79,043,025	14,039	3.11%	73,973,115	13,138	4.86%	444.0	15.0	40.90%
2011	5,659	79,399,054	14,030	-0.06%	72,966,761	12,893	-1.87%	448.0	15.1	49.20%
2012	5,835	78,615,599	13,473	-3.97%	72,540,591	12,432	-3.57%	451.0	15.5	51.50%
2013	5,913	84,463,713	14,286	6.03%	76,992,761	13,022	4.74%	451.0	19.7	52.20%
2014	5,841	87,820,965	15,036	5.25%	77,170,503	13,212	1.46%	481.0	19.0	54.00%

**SOURCE OF INFORMATION:**

- (1) General State Aid Claim
- (2) ISBE Annual Financial Report
- (3) Illinois District Report Card

**Community Consolidated School District 59**  
**PEAK ENROLLMENT, AVERAGE DAILY MEMBERSHIP**  
**AND AVERAGE DAILY ATTENDANCE**

<b>Fiscal Year Ended June 30,</b>	<b>Peak Enrollment (1)</b>	<b>Average Daily Membership (2) (ADM)</b>	<b>Average Daily Attendance (3) (ADA)</b>	<b>Percent of ADA to ADM</b>
2014	6,767	6,288	5,841	92.89%
2013	6,690	6,220	5,913	95.06%
2012	6,469	6,014	5,835	97.03%
2011	6,263	5,841	5,659	96.89%
2010	6,211	5,769	5,630	97.61%
2009	6,040	5,616	5,474	97.48%
2008	6,123	5,685	5,481	96.42%
2007	6,120	5,650	5,467	96.77%
2006	6,064	5,612	5,458	97.26%
2005	6,235	5,770	5,642	97.77%

(1) Fall Housing Report. Includes the pre-school and tuition students.

(2) Includes calculations for Full Day Kindergarten

(3) Annual General State Aid Claim.

**Community Consolidated School District 59**  
**HISTORICAL AND PROJECTED ENROLLMENT BY GRADE**

<b>Fiscal Year Ended June 30,</b>	<b>K</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>Total</b>
2017*	712	762	769	765	751	780	698	737	692	6,666
2016*	720	760	768	758	782	709	729	687	676	6,589
2015*	716	757	758	787	711	739	679	673	744	6,564
2014	737	764	772	727	742	697	691	757	658	6,545
2013	724	775	713	750	703	699	749	652	702	6,467
2012	732	708	748	693	663	740	637	699	652	6,272
2011	660	710	674	666	725	636	679	644	670	6,064
2010	677	669	665	728	634	672	657	677	654	6,033
2009	618	662	729	606	652	633	650	644	692	5,886
2008	622	737	629	662	636	654	650	706	653	5,949
2007	707	629	657	629	661	642	710	636	680	5,951
2006	591	670	637	682	624	704	640	669	642	5,859
2005	653	636	701	644	704	674	691	671	699	6,073

SOURCE OF INFORMATION: *ISBE Fall Housing Report and CCSD 59 Demographic Study*. Excludes pre-school students.

While the District offers a pre-school program, their enrollment is not provided in this schedule.

\* Projected Enrollment



## Community Consolidated School District 59

### STAFFING

Position	Total	POSITIONS BY EMPLOYEE GROUPS				
		Admin	Non-Neg	Certified	Classified	Cameo
Building Administrators	23.0	23.0				
Custodians	49.0					49.0
District Administrators	13.6	13.6				
Educational Services (Certified)	45.2			45.2		
Maintenance	11.0					11.0
Non-negotiated	31.0		31.0			
Nurse/Health Care Assistant	14.0			2.0	12.0	
Secretary	46.6				46.6	
Teacher Assistant	144.2				144.2	
Teacher Elementary	283.5			283.5		
Teacher Junior High	140.5			140.5		
Teacher Special Education	55.6			55.6		
<b>TOTAL</b>	<b>857.2</b>	<b>36.6</b>	<b>31.0</b>	<b>526.8</b>	<b>202.8</b>	<b>60.0</b>
	Percent of Total Staff	4.3%	3.6%	61.5%	23.7%	7.0%

**Community Consolidated School District 59**  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEARS

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Elementary</b>										
<b>Brentwood (1963)</b>										
Square feet	54,148	54,148	54,148	54,148	54,148	54,148	54,148	54,148	54,148	54,148
Capacity (1)	492	492	492	492	492	492	492	492	492	492
Enrollment (2)	368	360	363	385	377	407	405	465	443	442
Percent of Capacity	74.76%	73.13%	73.74%	78.21%	76.59%	82.68%	82.27%	94.46%	89.99%	89.79%
<b>Byrd (1967)</b>										
Square feet	48,193	48,193	48,193	48,193	48,193	48,193	48,193	48,193	48,193	48,193
Capacity	438	438	438	438	438	438	438	438	438	438
Enrollment	389	394	371	367	343	339	329	339	329	361
Percent of Capacity	88.79%	89.93%	84.68%	83.77%	78.29%	77.38%	75.09%	77.38%	75.09%	82.40%
<b>Clearmont (1961)</b>										
Square feet	54,675	54,675	54,675	54,675	54,675	54,675	54,675	54,675	54,675	54,675
Capacity	497	497	497	497	497	497	497	497	497	497
Enrollment	403	342	343	335	323	326	329	339	376	410
Percent of Capacity	81.08%	68.81%	69.01%	67.40%	64.98%	65.59%	66.19%	68.20%	75.65%	82.49%
<b>Devonshire (1963)</b>										
Square feet	48,767	48,767	48,767	48,767	48,767	48,767	48,767	48,767	48,767	48,767
Capacity	443	443	443	443	443	443	443	443	443	443
Enrollment	378	367	340	320	321	349	349	357	416	422
Percent of Capacity	85.26%	82.78%	76.69%	72.18%	72.41%	78.72%	78.72%	80.53%	93.83%	95.19%
<b>Forest View (1962)</b>										
Square feet	56,796	56,796	56,796	56,796	56,796	56,796	56,796	56,796	56,796	56,796
Capacity	516	516	516	516	516	516	516	516	516	516
Enrollment	357	307	328	336	361	392	374	393	397	422
Percent of Capacity	69.14%	59.46%	63.53%	65.08%	69.92%	75.92%	72.43%	76.11%	76.89%	81.73%
<b>Frost (1964)</b>										
Square feet	47,643	47,643	47,643	47,643	47,643	47,643	47,643	47,643	56,643	56,643
Capacity	433	433	433	433	433	433	433	433	515	515
Enrollment	379	360	370	390	397	418	442	460	493	481
Percent of Capacity	87.50%	83.12%	85.43%	90.04%	91.66%	96.51%	102.05%	106.21%	95.74%	93.41%
<b>John Jay (1967)</b>										
Square feet	42,436	42,436	46,500	46,500	46,500	46,500	46,500	46,500	46,500	46,500
Capacity	386	386	423	423	423	423	423	423	423	423
Enrollment	345	338	338	316	305	318	322	373	358	360
Percent of Capacity	89.43%	87.61%	79.96%	74.75%	72.15%	75.23%	76.17%	88.24%	84.69%	85.16%
<b>Low (1965)</b>										
Square feet	62,212	62,212	62,212	62,212	62,212	62,212	75,713	75,713	75,713	75,713
Capacity	566	566	566	566	566	566	688	688	688	688
Enrollment	346	309	347	378	366	393	379	377	403	395
Percent of Capacity	61.18%	54.64%	61.35%	66.84%	64.71%	69.49%	55.06%	54.77%	58.55%	57.39%
<b>Ridge (1959)</b>										
Square feet	39,781	39,781	39,926	39,926	39,926	39,926	39,926	46,426	46,426	46,426
Capacity	362	362	363	363	363	363	363	422	422	422
Enrollment	352	308	312	315	290	246	259	340	276	266
Percent of Capacity	97.33%	85.17%	85.96%	86.79%	79.90%	67.78%	71.36%	80.56%	65.39%	63.03%
<b>Rupley (1958)</b>										
Square feet	50,882	50,882	50,882	50,882	50,882	50,882	50,882	59,382	59,382	59,382
Capacity	463	463	463	463	463	463	463	540	540	540
Enrollment	352	336	323	371	425	438	453	413	470	468
Percent of Capacity	76.10%	72.64%	69.83%	80.21%	91.88%	94.69%	97.93%	76.50%	87.06%	86.69%
<b>Salt Creek (1968)</b>										
Square feet	74,057	74,057	74,057	74,057	74,057	74,057	74,057	74,057	74,057	74,057
Capacity	673	673	673	673	673	673	673	673	673	673
Enrollment	549	551	554	500	452	419	430	436	403	432
Percent of Capacity	81.55%	81.84%	82.29%	74.27%	67.14%	62.24%	63.87%	64.76%	59.86%	64.17%
<b>Junior High</b>										
<b>Friendship (1971)</b>										
Square feet	101,668	101,668	101,668	101,668	101,668	101,668	101,668	101,668	101,668	101,668
Capacity	813	813	813	813	813	813	813	813	813	813
Enrollment	639	623	652	657	635	639	666	662	729	719
Percent of Capacity	78.56%	76.60%	80.16%	80.78%	78.07%	78.56%	81.88%	81.39%	89.63%	88.40%
<b>Grove (1960)</b>										
Square feet	116,274	116,274	116,274	116,274	116,274	116,274	116,274	116,274	116,274	116,274
Capacity	930	930	930	930	930	930	930	930	930	930
Enrollment	942	926	946	913	913	889	844	862	832	855
Percent of Capacity	101.27%	99.55%	101.70%	98.15%	98.15%	95.57%	90.73%	92.67%	89.44%	91.92%
<b>Holmes (1966)</b>										
Square feet	86,492	86,492	86,492	86,492	86,492	86,492	86,492	86,492	86,492	86,492
Capacity	692	692	692	692	692	692	692	692	692	692
Enrollment	480	402	428	439	438	460	483	508	542	532
Percent of Capacity	69.37%	58.10%	61.86%	63.45%	63.30%	66.48%	69.80%	73.42%	78.33%	76.89%

**SOURCE OF INFORMATION**

- (1) Pupil capacity based on 110 square feet per pupil for grades K-5 and 125 square feet per pupil for grades 6-8. These square footage per student assumptions are used as general parameters by architects when developing models for school design
- (2) Enrollment is calculated by adjusting the Fall Housing Report numbers at the elementary level for half-day students.